



CADDO PARISH COMMISSION
Shreveport, Louisiana

Primary Government Financial Report

Year Ended December 31, 2001

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/17/02

CADDO PARISH COMMISSION

**Primary Government Financial Statements and
Individual Fund Statements**

Year Ended December 31, 2001

(With Independent Auditors' Report Thereon)

INTRODUCTORY SECTION

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 - ORGANIZATION CHART
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CADDO PARISH COMMISSION
Shreveport, Louisiana

**Primary Government Financial Statements and
Individual Fund Statements**

Year ended December 31, 2001

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CADDO PARISH COMMISSION

GOVERNMENT PLAZA, 1ST FLOOR 505 TRAVIS STREET SHREVEPORT, LOUISIANA 71101-5409

BOB BROWN
PRESIDENT
DISTRICT 9
1509 CAMBRIDGE DRIVE
SHREVEPORT, LA 71105

CARL A. PIERSON, SR.
VICE PRESIDENT
DISTRICT 3
2106 WYOMING CIRCLE
SHREVEPORT, LA 71101

JOYCE BOWMAN
DISTRICT 5
3623 MILTON STREET
SHREVEPORT, LA 71109

FORREST A. DAVIS
DISTRICT 12
7211 BEAUFORT WAY
SHREVEPORT, LA 71129

DANNY DUMAS
DISTRICT 10
930 JAPONICA LANE
SHREVEPORT, LA 71118

KEN EPPERSON
DISTRICT 6
1111 WEST 70TH STREET, APT. 9
SHREVEPORT, LA 71106

GILFORD L. "GIF" GILLEN
DISTRICT 4
645 DALZELL STREET
SHREVEPORT, LA 71104

MICHAEL D. LONG
DISTRICT 8
236 PRESTON AVENUE
SHREVEPORT, LA 71105

ROSE WILSON-McCULLOCH
DISTRICT 2
2509 KEMP LANE
SHREVEPORT, LA 71107

JAMES H. "JIM" MORRIS
DISTRICT 1
225 GRAY STREET
BELCHER, LA 71004-0225

RON WEBB
DISTRICT 11
2406 HELMSDALE COURT
SHREVEPORT, LA 71118

PATRICK C. WILLIAMS
DISTRICT 7
4547 CURTIS LANE
SHREVEPORT, LA 71109

JERRY C. SPEARS
COMMISSION CLERK
318-226-6596
FAX 318-226-6994

May 17, 2002

The Honorable Robert C. Brown, President
and Members of the Caddo Parish Commission
Government Plaza
505 Travis Street
Shreveport, Louisiana 71101-5409

Dear Commissioners:

In compliance with Section 3-09 of the Home Rule Charter for Caddo Parish, we are pleased to submit the Primary Government Financial Report of the Caddo Parish Commission (the Commission) for the year ended December 31, 2001. This document is the official publication of the Commission's financial position at December 31, 2001, and the results of operations for the year then ended including all funds and account groups of the Commission (primary government).

This report was prepared by the Department of Finance. Responsibility for both the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with Commission management. We believe the data, as presented, is accurate in all material aspects and that the report fairly sets forth the financial position of the Caddo Parish Commission and the results of its operating activities for 2001 in the manner necessary for the reader to gain the maximum understanding of Commission financial affairs.

The report complies in all material respects to the authoritative promulgations of the Governmental Accounting Standards Board, except as noted below. The notes to the combined financial statements explain Commission accounting policies, basis of accounting, funds and account groups used, as well as other significant accounting information. These notes are an integral part of this report.

Accounting System and Financial Information

The Reporting Entity and Its Services

The Commission provides a wide range of services including criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health, libraries, recreational facilities, economic development, and general administrative services.

These financial statements present the Caddo Parish Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with generally accepted accounting principles.

Several agencies provide public services to Caddo Parish residents and should be included in the financial statements of the Commission as discrete component units because they are legally separate from the Commission. Financial data for these entities is not included in this report. Louisiana statutes do not require annual audited financial statements to be prepared for a majority of these units. Generally accepted accounting principles do not allow us to present unaudited or out of date information in our financial statements. Since annually audited financial statements are generally not available from these units, we have elected to issue a report covering only the Commission, the primary government. The entities thus excluded are:

- Caddo Parish Sheriff's Office and Tax Collector
- Caddo Parish Clerk of Court
- Caddo Parish Tax Assessor
- Caddo Community Action Agency
- Caddo Parish Communications District Number 1
- Waterworks District Number 1
- Waterworks District Number 7
- Waterworks District Number 8
- Sewerage District Number 2
- Sewerage District Number 7
- Fire District Number 1
- Fire District Number 2
- Fire District Number 3
- Fire District Number 4
- Fire District Number 5
- Fire District Number 6
- Fire District Number 7
- Fire District Number 8
- Fire District Number 9
- North Caddo Hospital Service District

Internal Controls

In developing and evaluating the Commission's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Commission's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Single Audit

As a recipient of federal and state financial assistance, the Commission is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

As a part of the Commission's single audit, tests are made to determine the adequacy of internal control, including that portion related to federal financial assistance programs, as well as to determine that the Commission has complied with applicable laws and regulations. The results of the Commission's single audit for the fiscal year ended December 31, 2001 provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations. The single audit report is issued separately from this primary government annual financial report.

Method of Accounting

The accounting records for general governmental operations are maintained on a modified accrual basis with the revenues being recorded when measurable and available and expenditures being recorded when the fund liability is incurred. Proprietary funds and nonexpendable trust funds are accounted for on an accrual basis.

Budgetary Controls

The Commission maintains a system of budgetary controls, the objective of which is to ensure compliance with the annual appropriated budget. Activities of the General Fund, certain Special Revenue Funds, and Debt Service Fund are included in the annual appropriated budget. Project-length budgets are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is on a functional basis. The Commission also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Purchase orders which would result in the material overrun of a departmental budget are rejected by the accounting system and are not processed until additional funding is available. Monthly budget reports are prepared for management's use in monitoring and control of the approved budget. Open encumbrances are reported as reservations of fund balance at December 31, 2001.

Risk Management

The Commission maintains limited risk management programs for general liability and workers' compensation. As part of this plan, workers are trained in accident prevention and hazard avoidance techniques. Third party coverage of \$3,000,000 is maintained for general liability claims. Retention limits are \$50,000 per claim with an annual aggregate total of \$350,000. Third party coverage is also maintained for workers' compensation cases above \$200,000. In addition to the revenues collected in the General Insurance Fund, resources are designated within the General Fund for payment of potential claims.

The Commission is partially self-insured for employee medical and life insurance with third party coverage for occurrences over \$75,000 and an aggregate stop-loss coverage for losses in excess of 125% of expected claims. All known claims filed and an estimate of all incurred but unreported claims existing at December 31, 2001 have been recorded as accrued insurance claims payable.

Financial Data

The following paragraphs highlight the activities of the various funds and describe significant financial events and reporting practices reflected in this report.

General Fund

The General Fund is a major operating fund of the Commission and provides for many essential services. General Fund revenues totaled \$5,554,104 for 2001 which was an increase of 12.3% from the 2000 revenues. Ad valorem taxes and intergovernmental revenues generated 87.4% of the total 2001 General Fund revenues compared to 86.1% in 2000. The intergovernmental revenues consist of funds shared by the State of Louisiana, i.e., severance taxes and State Revenue Sharing. The revenues from the various sources in 2001 are shown in the following tabulation:

Revenues	Amount	Percent of Total	Increase (Decrease) From 2000
Taxes	\$ 3,642,344	65.6%	\$ 720,793
Licenses and permits	442,747	8.0	71,153
Intergovernmental	1,210,319	21.8	(128,271)
Use of money and property	91,210	1.6	(5,654)
Other	167,484	3.0	(49,124)
Total revenues	\$ 5,554,104	100.0%	\$ 608,897

Tax revenues increased due to an increase in millage rates and an increase in the taxable assessment. Intergovernmental revenues decreased due to a decrease in the state timber severance as a result of a decrease in timber sales by the state.

General Fund expenditures totaled \$5,646,181 in 2001 which is up 11.1% from the 2000 level of \$5,084,288. The expenditures by function for 2001 are shown in the following tabulation:

Expenditures	Amount	Percent of Total	Increase (Decrease) From 2000
General government	\$ 5,567,340	98.7%	\$ 564,198
Health and welfare	22,034	0.3	15
Education	56,807	1.0	(2,320)
Total expenditures	\$ 5,646,181	100.0%	\$ 561,893

General government expenditures increased due to an increase in the number of employees for the District Court along with an increase in salary rates for existing employees. In addition, the annual appropriation to the District Attorney's office increased by approximately \$363,000.

The unreserved and undesignated fund balance in the General Fund increased to \$2,944,834 in 2001 from \$919,980 in 2000. This unreserved, undesignated fund balance represents 52.2% of the 2001 General Fund expenditures. Total fund balance increased by \$1,147,923 to \$3,686,039 in 2001.

Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources that are designated or restricted to specific uses. These funds, in total, represent the largest portion of the Commission's operating budget.

Total revenues for the Special Revenue Funds for 2001 amount to \$46,704,718, an increase of 6.2% from the 2000 total of \$43,945,745. Ad valorem taxes, sales taxes, and intergovernmental revenues generated 91.2% of the total revenues in 2001 and 90.4% in 2000. During 2001, the intergovernmental revenues consisted primarily of State Revenue Sharing and various federal and state grants. A portion of the sales tax revenues collected will be refunded based upon enterprise zone contracts at project completion. Accordingly, a liability has been recorded in the Solid Waste Special Revenue Fund and the Road Construction Capital Projects Fund in the amounts of \$197,710 and \$413,751, respectively. The revenues from various sources in 2001 are shown in the following tabulation:

Revenues	Amount	Percent of Total	Increase (Decrease) From 2000
Taxes	\$ 30,700,776	65.7%	\$ 1,363,322
Intergovernmental	11,928,739	25.5	1,534,155
Fees, charges, and commissions for services	73,045	0.2	5,438
Fines and forfeitures	184,308	0.4	14,009
Gaming	2,480,919	5.3	(85,104)
Use of money and property	1,000,426	2.2	81,363
Other	336,505	0.7	(154,210)
Total revenues	\$ 46,704,718	100.0%	\$ 2,758,973

Taxes increased due to the growth in the taxable assessment. Intergovernmental revenues increased due to increased federal funding for the Head Start program.

Expenditures in the Special Revenue Funds totaled \$40,801,835 in 2001 which is an increase of 6.5% from the 2000 level of \$38,327,254. The expenditures by general government function for 2001 are shown in the following tabulation:

Expenditures	Amount	Percent of Total	Increase (Decrease) From 2000
General government	\$ 5,815,301	14.2%	\$ (37,941)
Public safety	6,630,058	16.3	375,539
Health and welfare	11,692,302	28.7	2,015,470
Highways and streets	4,176,409	10.2	(102,593)
Sanitation	1,648,856	4.0	102,562
Culture and recreation	7,904,719	19.4	(1,168,678)
Economic development	2,420,192	5.9	1,213,987
Debt service	513,998	1.3	76,235
Total expenditures	\$ 40,801,835	100.0%	\$ 2,474,581

Health and welfare expenditures increased due to increased federal funding that is passed through to the Caddo Community Action Agency. Culture and recreation decreased due to a decrease in the expenditures associated with the capital expansion program of the Shreve Memorial Library. In 2000, the capital expenditures in culture and recreation totaled approximately \$2,800,000 compared to approximately \$1,000,000 in 2001. Economic development increased due to an increase in reimbursements for program activities requested by the Biomedical Research Foundation.

The total fund balance in the Special Revenue Funds increased to \$28,326,454 in 2001 from \$24,960,529 in 2000, an increase of \$3,365,925 or 13.5%. Fund balance for all special revenue funds represents 69.4% of the 2001 expenditures.

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the Commission's debt position. As of December 31, 2001, net bonded debt of \$11,836,185 was 1.03% of the assessed value and \$47 per capita.

Debt activity for 2001 is summarized as follows:

	<u>General Obligation Bonds</u>	<u>Certificates of Indebtedness</u>
Balance, December 31, 2000	\$ 15,755,000	3,210,000
Additions	—	7,000,000
Retirements	<u>(1,325,000)</u>	<u>(300,000)</u>
Balance, December 31, 2001	<u>\$ 14,430,000</u>	<u>9,910,000</u>

In addition to the \$1,325,000 and \$300,000 in bonds and certificates of indebtedness retired, the Commission paid \$748,883 in interest on the general obligation bonds from the Debt Service Fund. Interest of \$213,998 was paid on the certificates of indebtedness in 2001 from the Riverboat Fund and the Shreve Memorial Library Fund.

On June 1, 2001, the Commission issued \$7,000,000 in limited tax certificates of indebtedness. This issue was approved by the voters in a special election held April 20, 1996. The proceeds from the certificates are to be used for acquiring, equipping, constructing, and improving the public library system.

Capital Projects Funds

The Capital Projects Funds are used to account for the acquisition or construction of major capital facilities. Revenues totaled \$7,788,025 in 2001 which was an increase of 22.2% from the 2000 revenues of \$6,374,709. Sales tax and private donations accounted for the majority of the increase. The Commission received a private donation of \$350,000 in 2001 from General Motors to pay for street lights on the road entering the plant.

Expenditures for capital improvement projects in 2001 totaled \$7,659,967, which was a decrease of 16.6% from the 2000 expenditures of \$9,189,867. Accounting for the majority of the decrease was the purchase of the N.O. Thomas building for approximately \$2,500,000 for the Government Plaza offices which occurred in 2000. The primary sources of funding for capital improvements were proceeds from certificates of indebtedness that were issued in 1999 and 2001, sales tax revenues, intergovernmental grants (which included \$1,421,055 received from the State's Parish Transportation Fund), and interest earned on idle funds prior to or during the construction period.

Proprietary Fund Activities – Internal Service Funds

The Commission has three internal service funds. Their operating results are summarized below:

Group Insurance

In 2001, employer and employee contributions were \$1,740,039 and \$558,695, respectively. Medical claims totaled \$1,975,708 and stop-loss insurance premiums totaled \$374,119. Incurred but not reported claims have been accrued and the retained earnings at December 31, 2001 is \$2,481,090.

General Insurance

In 2001, charges for services totaled \$598,580. Casualty and worker's compensation claims totaled \$277,078 and re-insurance premiums totaled \$301,141. All known claims and incurred but not reported claims have been accrued and the retained earnings is \$573,612 at December 31, 2001.

Fleet Service

In 2001, charges for sales and services totaled \$1,031,320 and cost of sales and services totaled \$1,051,063. The fund has a deficit in the amount of \$360,835 at December 31, 2001. The deficit should be funded through capital contributions over a four-year period with 50% allocated upon service volumes by the operating departments and 50% from general revenues.

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the Commission in a trustee or agent capacity. The Commission's Fiduciary Funds include Expendable Trust, Nonexpendable Trust, and Agency Funds. The Trust Funds account for the proceeds of certain properties dedicated for specific activities. Agency Funds include the Criminal Court Fund which accounts for criminal court activities.

General Fixed Assets

The general fixed assets of the Commission are those fixed assets used in the performance of general governmental functions. As of December 31, 2001, the general fixed assets of the Commission amounted to \$98,118,746. Depreciation of general fixed assets is not recognized in the Commission's accounting system.

Pension Plans

Substantially all Commission employees are members of the Parochial Employees' Retirement System of Louisiana. Employee payroll deductions of 9.5% of gross pay are partially matched by the Commission at a rate of 7.75% of gross wages. All deducted and matched funds are remitted to the retirement system.

Retirement benefits are administered by the statewide plan and are not guaranteed by the Commission.

Cash Management

The Commission has a cash management program which consists of pooling cash and investments for all funds of the Commission except the Shreve Memorial Library. Available cash was invested in a special bank "sweep account" collateralized by obligations of United States government agencies or insured by the Federal Deposit Insurance Corporation. Additional investments are accomplished through purchases of obligations of the United States Treasury, obligations of United States government agencies, and by participation in the Louisiana Asset Management Pool.

Other Information

Independent Audit

Section 3-09 of the Home Rule Charter for Caddo Parish requires that the Parish Commission provide for an annual independent audit of all accounts and financial transactions of the Commission. The Commission is required to undergo an annual single audit in conformity with the provisions of the revised Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and independent auditors' reports on internal control and compliance with applicable laws, regulations, contracts, and grants are presented in a separate report. The Parish Commission designated KPMG LLP as the independent auditors and their report follows as an integral component of this report.

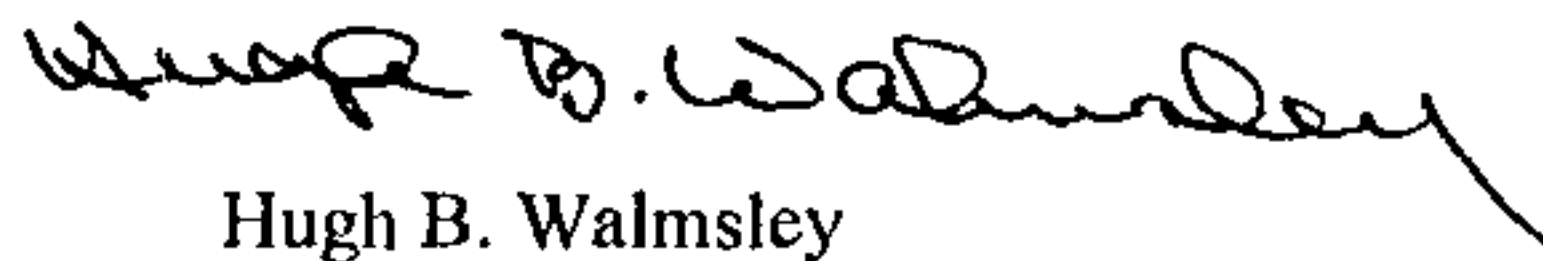
Additional Financial Information

Certain financial information has been selected for presentation, in a graphical format, on the pages immediately following this letter. This format is utilized to allow the reader to quickly review additional information concerning the overall financial operations of the Commission and ascertain recent historical trends in the areas illustrated.

Acknowledgments

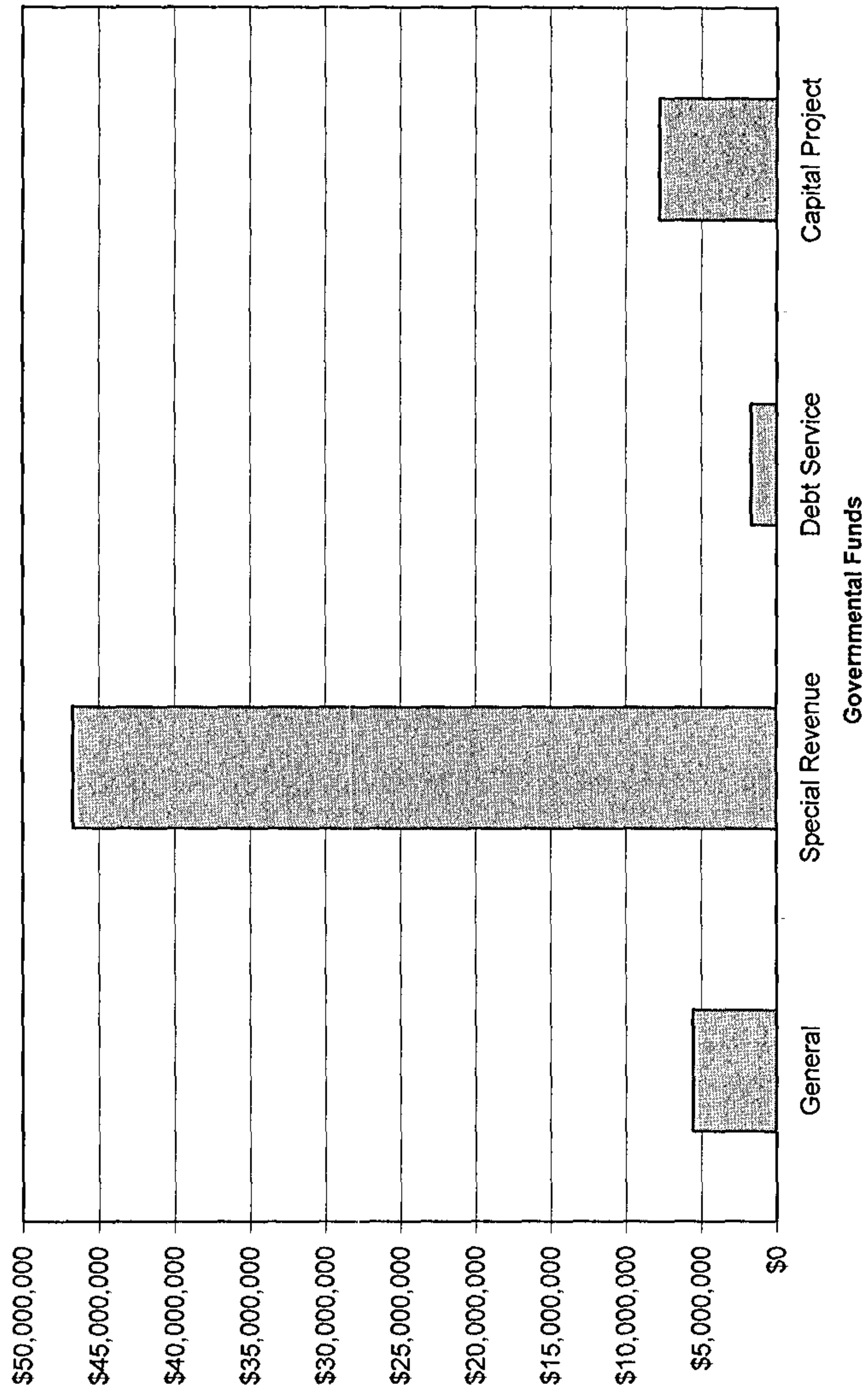
The preparation of this report could not be accomplished without the dedicated and efficient services of the entire Department of Finance staff and the assistance of the Commission's independent auditors, KPMG LLP. Substantial recognition should also be given to the Commission and our Parish Administrator, Mr. William T. Hanna, Jr., for their interest and support in conducting the financial operations of the Commission in a responsible and progressive manner.

Sincerely,

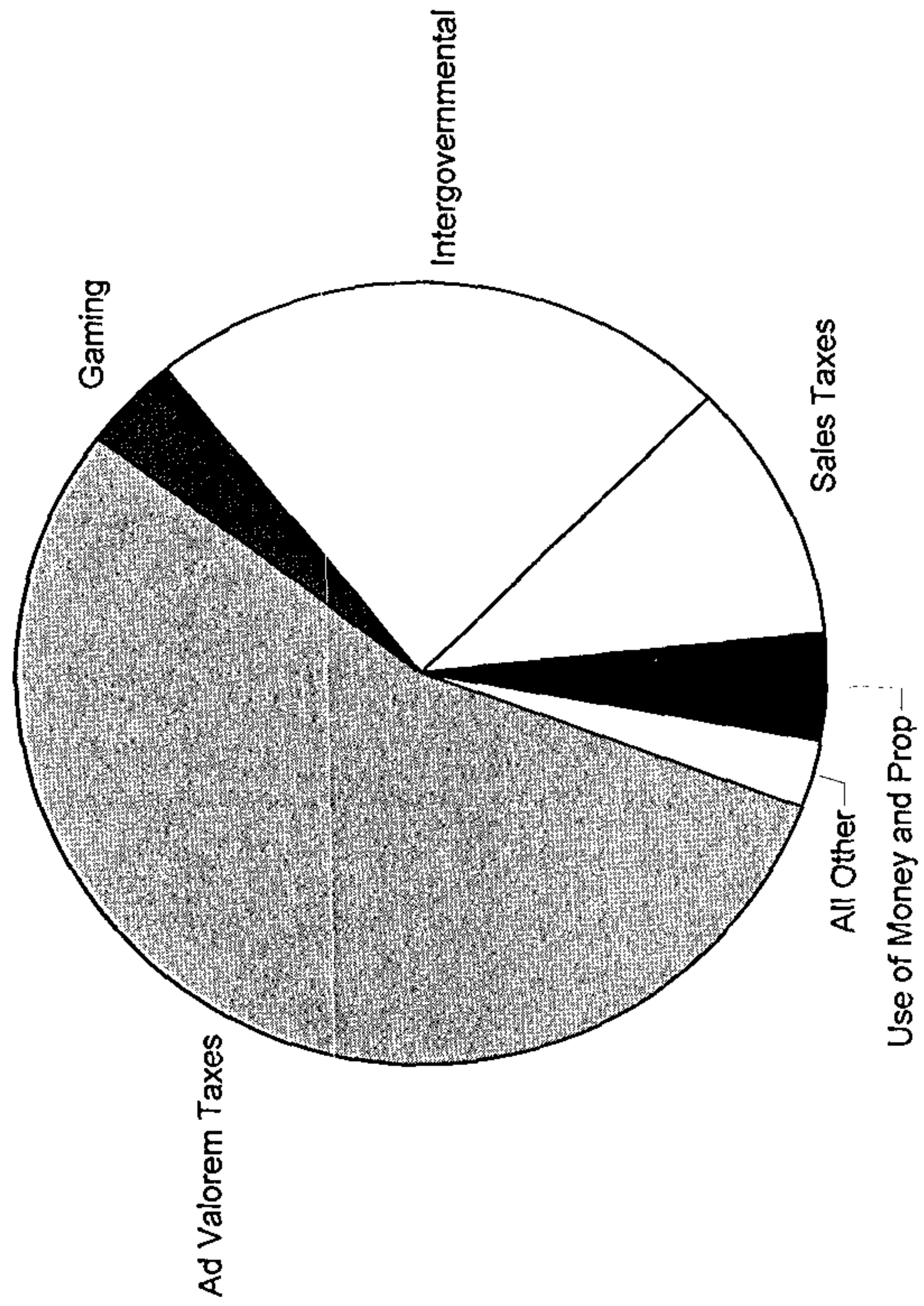


Hugh B. Walmsley
Director of Finance

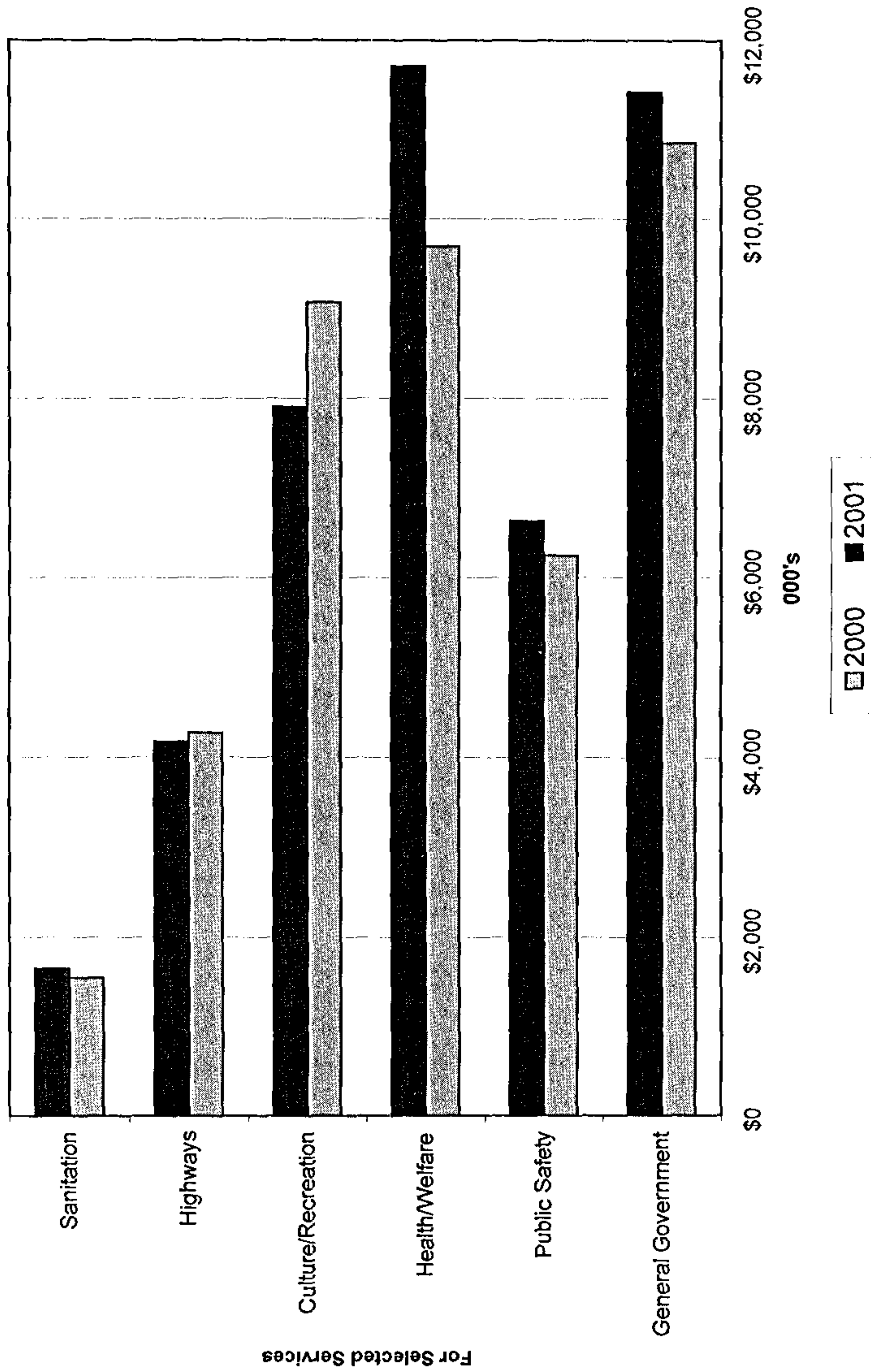
2001 Revenues by Fund Type



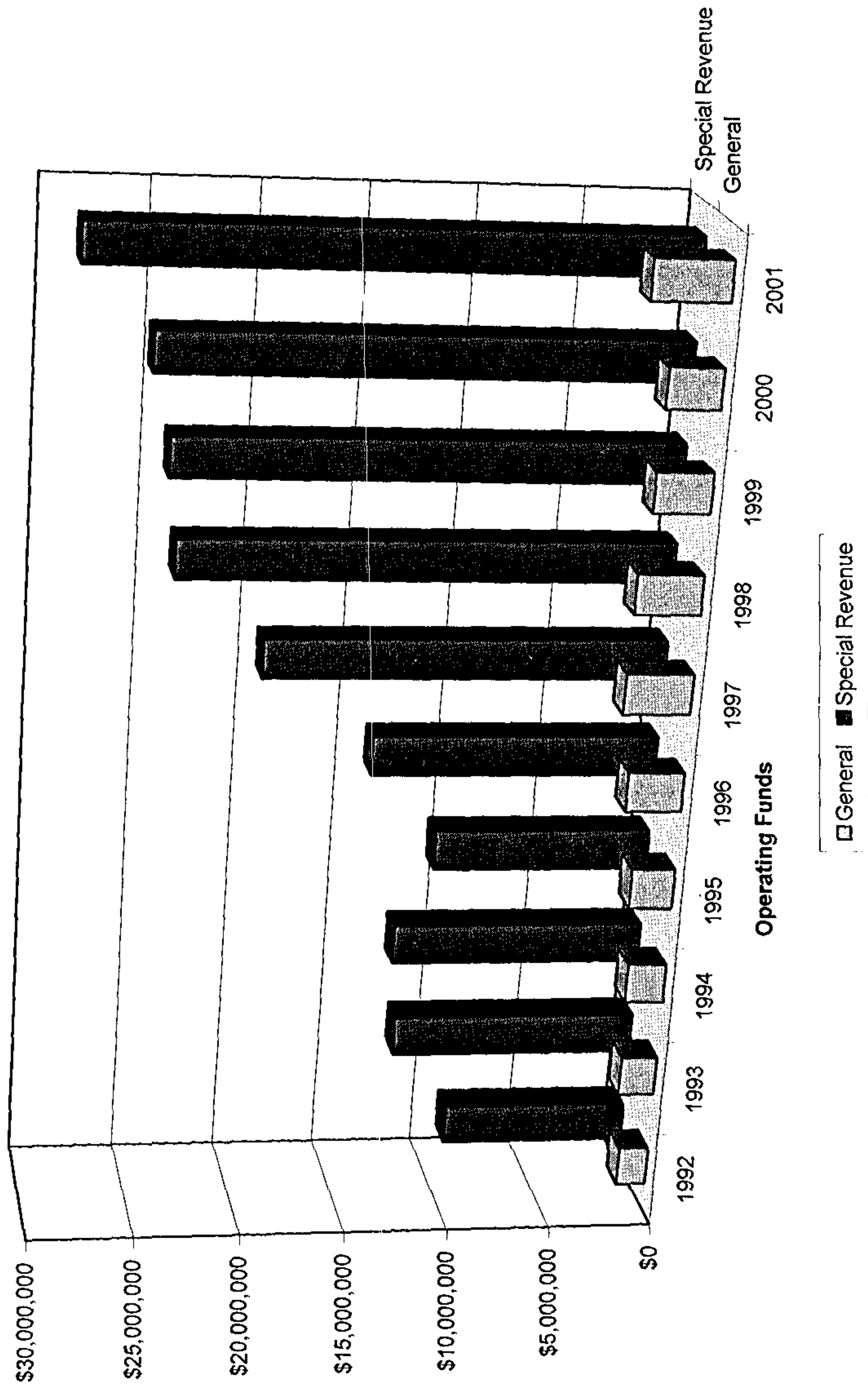
2001 Revenues by Source



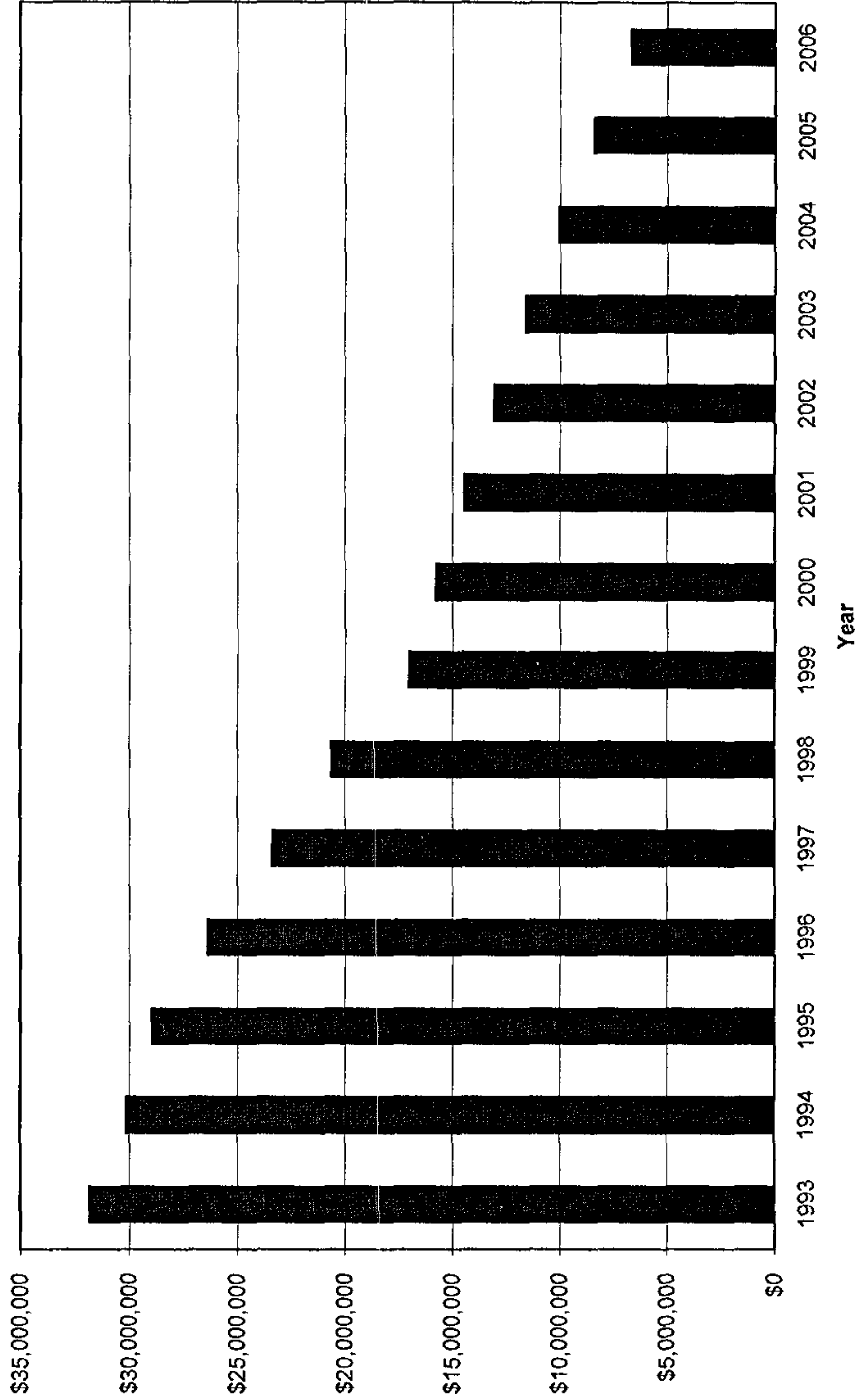
Operating Expenditures



Fund Balance Level

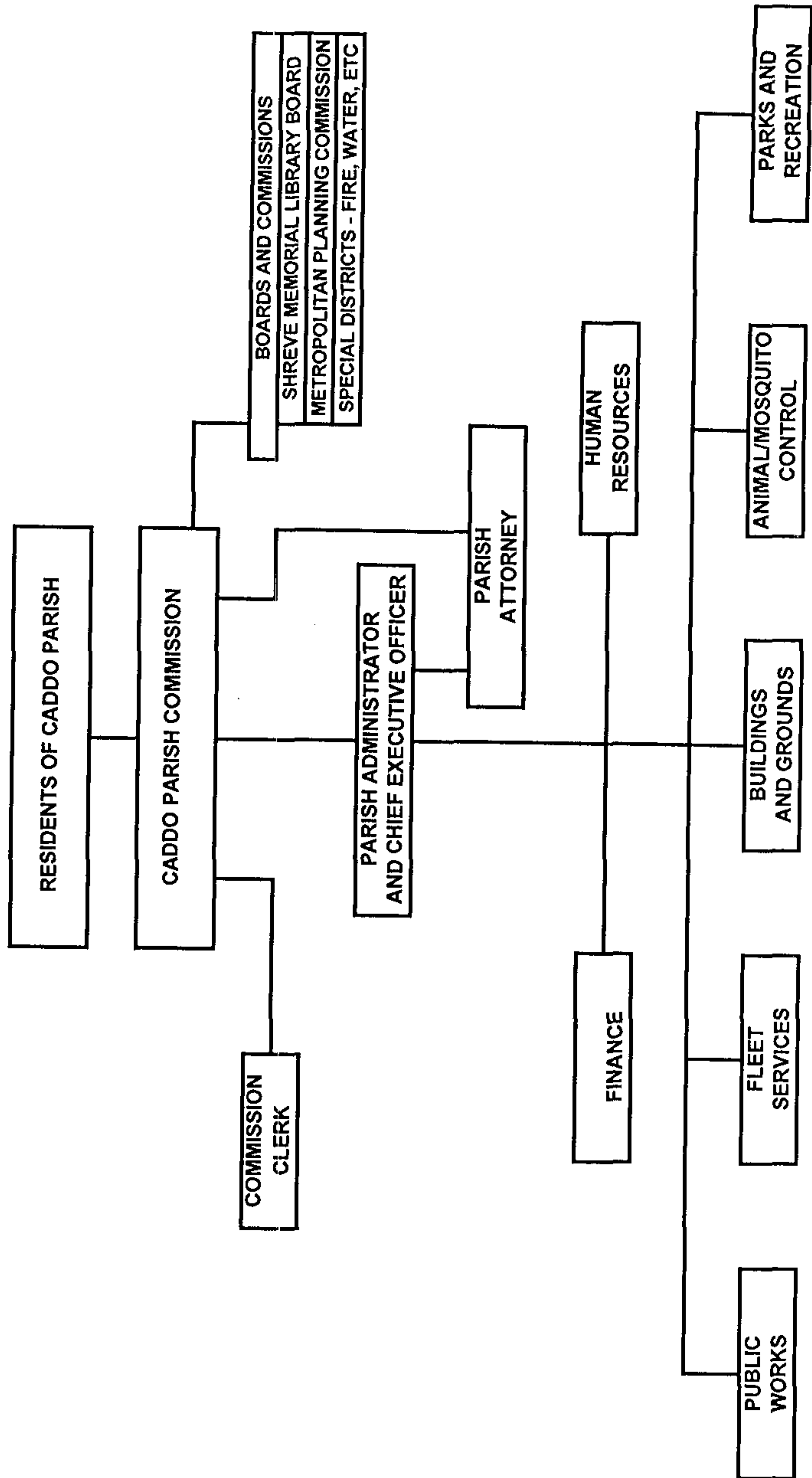


Bonded Debt Trend



ORGANIZATION CHART

CADDO PARISH COMMISSION SHREVEPORT, LOUISIANA



CADDO PARISH COMMISSION

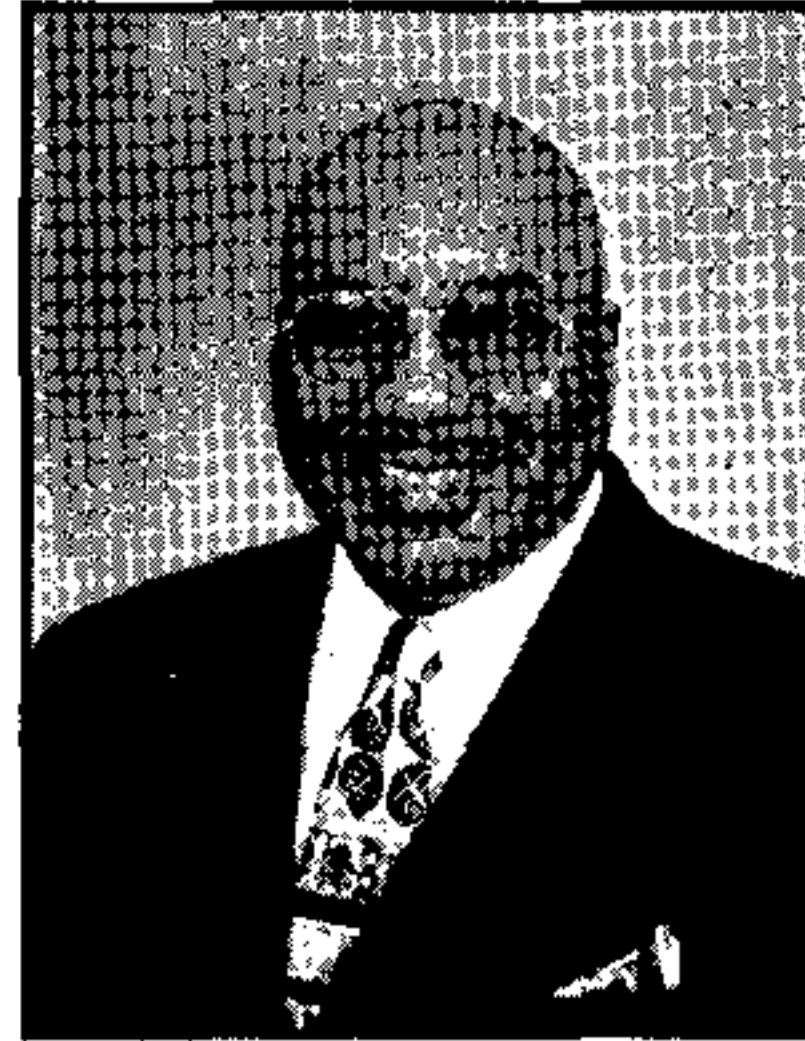
Shreveport, Louisiana COUNCIL-MANAGER FORM OF GOVERNMENT



James H. "Jim" Morris
District 1



Rose Wilson McCulloch
District 2



Carl A. Pierson, Sr.
District 3



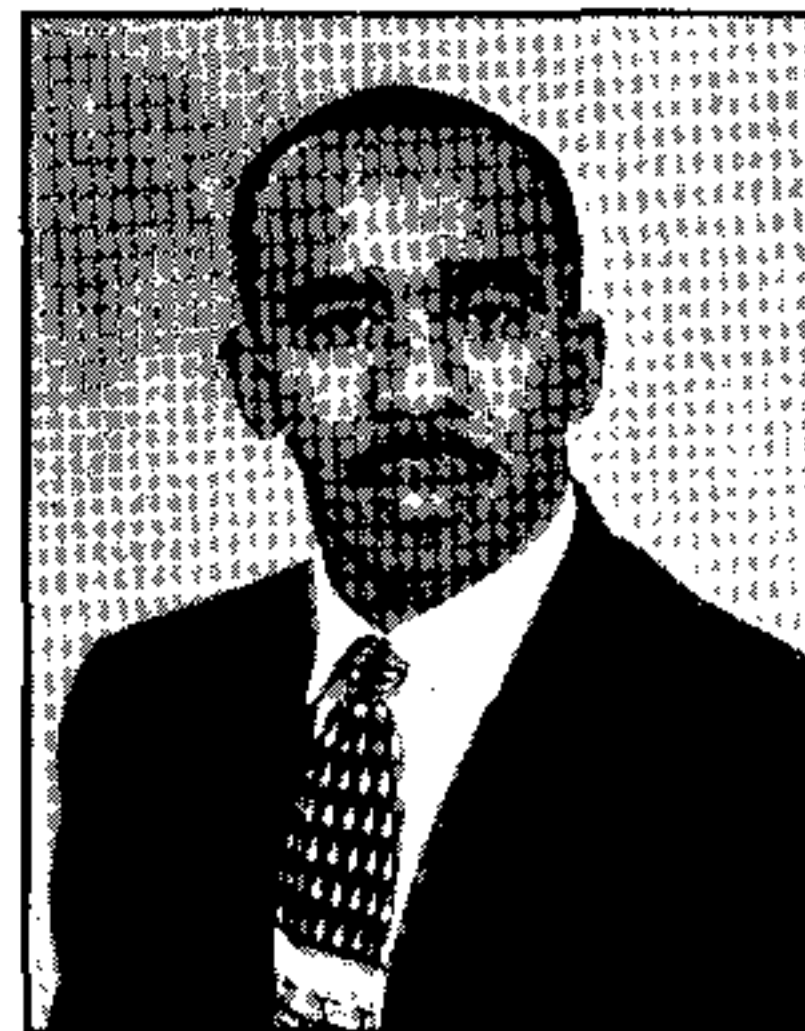
Gilford L. "Gif" Gillen
District 4



Joyce Bowman
District 5



Kenneth Epperson
District 6



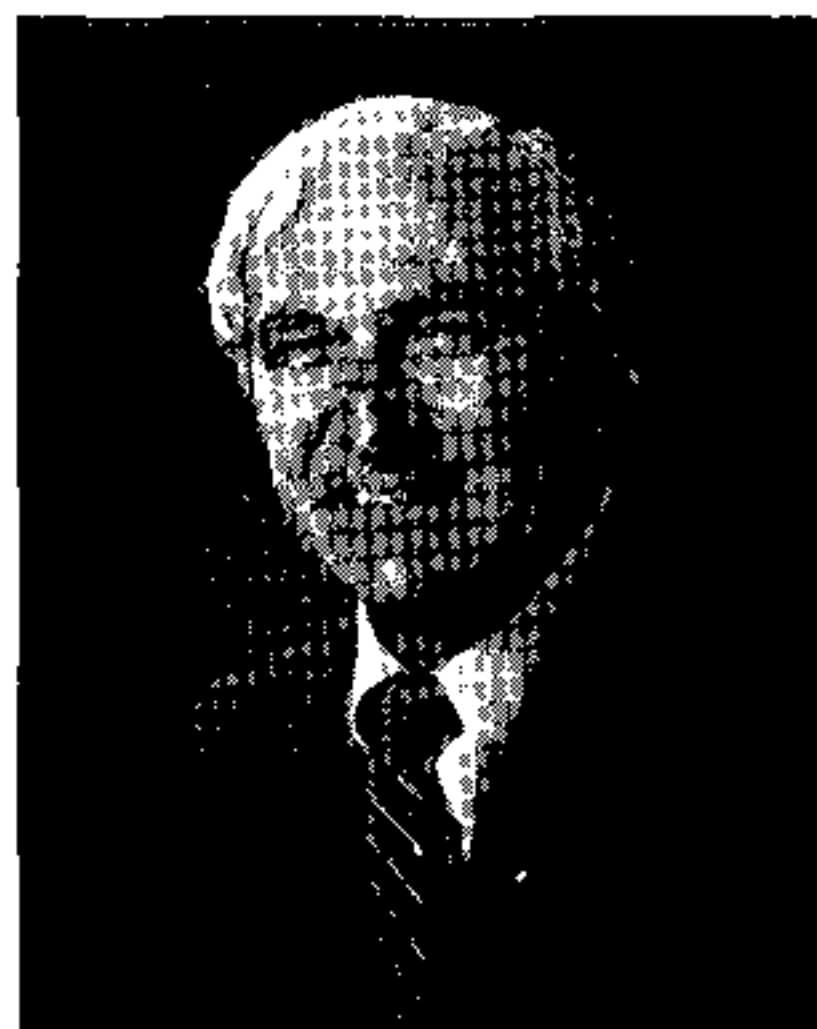
Patrick C. Williams
District 7



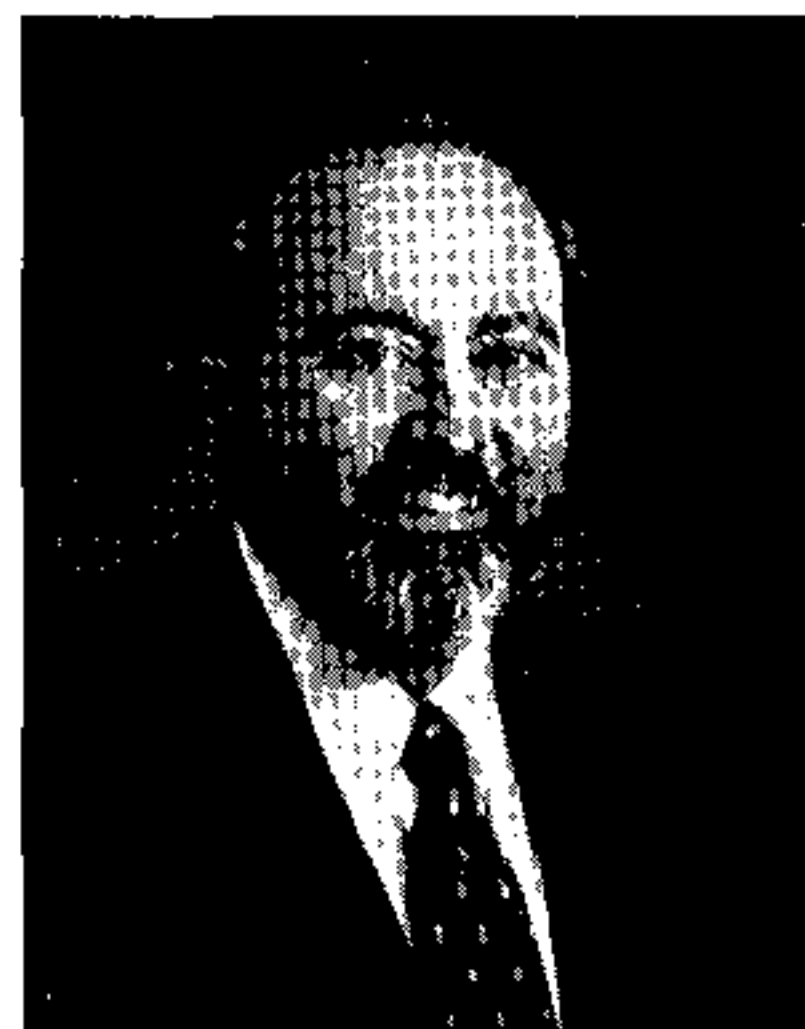
Michael D. Long
District 8



Bob Brown
District 9



Danny Dumas
District 10



Ron Webb
District 11



Forrest A. Davis
District 12

CADDO PARISH COMMISSION
Shreveport, Louisiana

Appointed Officials Per Home Rule Charter

Mr. William T. Hanna, Jr.	Parish Administrator and Chief Executive Officer
Mr. Hugh B. Walmsley	Director of Finance
Mr. Jeron Rogers	Director of Public Works
Ms. Linda Jordan	Director of Personnel
Mr. Woodrow Wilson, Jr.	Director of Buildings and Grounds
Mr. Larry R. Raymond	Director of Parks and Recreation
Mr. Todd Hopkins	Director of Fleet Services
Mr. Richard J. McMillan, III	Director of Animal and Mosquito Control
Mr. Jerry C. Spears	Commission Clerk
Mr. Dannye W. Malone	Parish Attorney

FINANCIAL SECTION

- **INDEPENDENT AUDITORS' REPORT**
- **COMBINED FINANCIAL STATEMENTS —
OVERVIEW**
- **COMBINING AND INDIVIDUAL FUND AND
ACCOUNT GROUP STATEMENTS AND
SCHEDULES**



333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

Independent Auditors' Report

To the Members of the Caddo Parish Commission
Caddo Parish Courthouse
Shreveport, Louisiana:

We have audited the accompanying primary government financial statements and the combining, individual fund, and individual account group financial statements and schedules of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2001, as listed in the foregoing Table of Contents. These financial statements and schedules are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Commission as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the combining, individual fund and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Commission as of December 31, 2001, and the results of operations of such funds and the cash flows of the proprietary fund type and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

However, the primary government financial statements, because they do not include the financial data of component units of the Commission, do not purport to, and do not, present fairly the financial position of the Commission as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.



As described in note 13 to the primary government financial statements, the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, in 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2002, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying information in the Introductory and Statistical Sections have not been audited by us, and accordingly, we express no opinion on this information.

KPMG LLP

May 17, 2002

PRIMARY GOVERNMENT COMBINED FINANCIAL STATEMENTS

The primary government financial statements include the combined financial statements, which include all funds and account groups of the Commission and are designed to provide an overview of the financial position and results of operations for the Commission as a whole. Additional information in the form of combining and individual fund and account group statements and schedules and statistical tables are also included in this report.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Combined Balance Sheet – All Fund Types and Account Groups

December 31, 2001
(with comparative totals for December 31, 2000)

Assets and Other Debits	Proprietary									
	Governmental Fund Types				Fiduciary			Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Fund Type		Trust and Agency Funds	General Fixed Assets	Long-term Obligation	Totals (Memorandum Only)
					Internal Service Funds	Funds				
Cash and cash equivalents (note 2)	\$ 36,716	3,858,697	323,696	2,261,073	270,803	881,755	—	—	7,632,740	6,027,492
Investments (note 2)	831,380	4,653,806	826,214	20,770,773	2,543,415	3,045,781	—	—	32,671,369	23,337,162
Receivables, net:										
Paving assessments	—	21,257	—	625,719	—	—	—	—	646,976	718,716
Ad valorem taxes (note 3)	3,470,037	26,926,027	1,468,677	—	—	—	—	—	31,864,741	30,535,139
Accrued interest	8,982	49,457	8,927	224,414	27,102	38,741	—	—	357,623	377,393
Other	67,803	496,891	—	493,923	23,580	1,560	—	—	1,083,757	767,803
Due from other funds (note 6)	301,753	467,135	—	5,685,162	433,550	1,070,000	—	—	7,957,600	6,320,653
Due from other governmental agencies	407,146	1,735,794	—	160,940	—	87,289	—	—	2,391,169	1,766,135
Inventory	—	—	—	—	80,073	—	—	—	80,073	94,455
Other assets	—	37,711	—	—	—	—	—	—	37,711	22,012
Property, plant, and equipment, net (note 4)	—	—	—	—	377,147	—	98,118,746	—	98,495,893	95,367,708
Other debits:										
Amount available in Debt Service Fund	—	—	—	—	—	—	—	2,593,815	2,593,815	3,048,720
Amount to be provided for retirement of long-term debt	—	—	—	—	—	—	—	21,746,185	21,746,185	15,916,280
Amount to be provided for accrued compensated absences	—	—	—	—	—	—	—	859,722	859,722	817,507
Total assets and other debits	\$ 5,123,817	38,246,775	2,627,514	30,222,004	3,755,670	5,125,126	98,118,746	25,199,722	208,419,374	185,117,175

CADDO PARISH COMMISSION
Shreveport, Louisiana

Combined Balance Sheet – All Fund Types and Account Groups

December 31, 2001
(with comparative totals for December 31, 2000)

Liabilities	Proprietary Fund Type	Governmental Fund Types				Fiduciary Fund Type	Account Groups		Totals		
		General	Special Revenue	Debt Service	Capital Projects		Trust and Agency Funds	General Fixed Assets	Long-term Obligation	(Memorandum Only)	
										2001	2000
Accounts payable and accrued liabilities	\$	120,821	1,995,807	—	1,185,778	51,915	48,396	—	3,402,717	2,438,490	
Retainages payable		—	—	—	247,919	—	—	—	247,919	8,028	
Due to other funds (note 6)		1,070,000	6,133,712	—	297,610	433,550	22,728	—	7,957,600	6,320,653	
Due to other government agencies		—	317,018	—	—	—	—	—	317,018	205,000	
Refundable deposits and other		—	839	—	—	—	—	—	839	840	
Deferred revenues (note 3)		246,957	1,472,945	33,699	231,498	—	—	—	1,985,099	2,561,361	
General obligation bonds and certificates of indebtedness payable (note 5)		—	—	—	—	—	—	24,340,000	24,340,000	18,965,000	
Accrued insurance claims payable		—	—	—	—	226,055	—	—	226,055	227,223	
Accrued compensated absences (note 5)		—	—	—	—	—	—	859,722	859,722	817,507	
Total liabilities		1,437,778	9,920,321	33,699	1,962,805	711,520	71,124	25,199,722	39,336,969	31,544,102	
Equity and Other Credits											
Investment in general fixed assets		—	—	—	—	—	—	—	98,118,746	94,974,339	
Contributed capital (notes 4 and 12)		—	—	—	—	350,283	—	—	350,283	350,283	
Retained earnings:											
Reserved:											
Payment of claims											
Unreserved						3,054,702	—	—	3,054,702	3,191,366	
Fund Balance:						(360,835)	—	—	(360,835)	(360,835)	
Reserved for:											
Debt service				2,593,815	—	—	—	—	2,593,815	3,048,720	
Encumbrances		32,624	4,749,368	—	1,144,442	—	—	—	5,926,434	1,936,881	
Revolving loans to General Fund		—	—	—	—	—	1,119,677	—	1,119,677	1,093,027	
Contingencies		—	—	—	—	—	3,749,640	—	3,749,640	3,348,296	
Industrial development		—	—	—	—	—	184,685	—	184,685	210,968	
Unreserved:											
Designated for future claims		362,748	—	—	—	—	—	—	362,748	362,748	
Designated for subsequent year expenditures		345,833	904,780	—	27,114,757	—	—	—	28,365,370	22,323,020	
Undesignated		2,944,834	22,672,306	—	—	—	—	—	25,617,140	23,094,260	
Total retained earnings/fund balances		3,686,039	28,326,454	2,593,815	28,259,199	2,693,867	5,054,002	—	70,613,376	58,248,451	
Total equity and other credits		3,686,039	28,326,454	2,593,815	28,259,199	3,044,150	5,054,002	98,118,746	169,082,405	153,573,073	
Total liabilities, equity and other credits	\$	5,123,817	38,246,775	2,627,514	30,222,004	3,755,670	5,125,126	98,118,746	208,419,374	185,117,175	

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental
Fund Types and Expendable Trust Fund**

Year ended December 31, 2001
(with comparative totals for year ended December 31, 2000)

	Governmental Fund Types				Fiduciary Fund Type	Totals	
	General	Special Revenue	Debt Service	Capital Projects		(Memorandum Only)	
						2001	2000
Revenues:							
Ad valorem taxes and special assessments (note 3)	\$	3,642,344	28,482,417	1,639,001	—	33,858,579	32,440,700
Sales tax		—	2,218,359	—	—	6,696,472	5,002,904
Licenses and permits		442,747	—	—	—	442,747	371,594
Intergovernmental		1,210,319	11,928,739	—	—	14,560,113	13,174,880
Fees, charges, and commissions for services		—	73,045	—	—	73,045	67,607
Fines and forfeitures		—	184,308	—	—	184,308	170,299
Gaming		—	2,480,919	—	—	2,480,919	2,566,023
Use of money and property		91,210	1,000,426	61,546	160,955	2,698,177	2,760,213
Other revenues		167,484	336,505	—	117,877	1,031,866	804,668
Total revenues		5,554,104	46,704,718	1,700,547	278,832	62,026,226	57,358,888
Expenditures:							
Current:							
General government		5,567,340	5,815,301	—	—	11,420,738	10,856,384
Public safety		—	6,630,058	—	—	6,630,058	6,254,519
Health and welfare		22,034	11,692,302	—	—	11,714,336	9,698,851
Education		56,807	—	—	—	56,807	59,127
Highways and streets		—	4,176,409	—	—	4,176,409	4,279,002
Sanitation		—	1,648,856	—	—	1,648,856	1,546,294
Culture and recreation		—	7,904,719	—	—	7,904,719	9,073,397
Economic development		—	2,420,192	—	—	2,565,692	1,206,205
Capital projects		—	—	—	145,500	7,664,222	9,364,325
Debt service (note 5):					4,255		
Principal retirement		—	300,000	1,325,000	—	1,625,000	1,540,000
Interest, fiscal charges, and fees		—	213,998	830,452	—	1,044,450	1,042,812
Total expenditures		5,646,181	40,801,835	2,155,452	149,755	56,451,287	54,920,916
Excess (deficiency) of revenues over (under) expenditures		(92,077)	5,902,883	(454,905)	129,077	5,574,939	2,437,972
Other financing sources (uses):							
Operating transfers in (note 6)		1,240,000	1,261,026	—	252,504	9,040,310	8,476,126
Operating transfers out (note 6)		—	(3,797,984)	—	(6,520)	(9,140,310)	(8,476,126)
Proceeds from certificate of indebtedness (note 5)		—	—	—	—	7,000,000	—
Total other financing sources (uses)		1,240,000	(2,536,958)	—	245,984	6,900,000	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses							
Fund balances at beginning of year, as restated (note 13)		1,147,923	3,365,925	(454,905)	375,061	12,474,939	2,437,972
Fund balances at end of year	\$	2,538,116	24,960,529	3,048,720	3,559,264	54,324,893	51,886,921
		3,686,039	28,326,454	2,593,815	3,934,325	66,799,832	54,324,893
See accompanying notes to financial statements.							

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on a Budgetary Basis – General, Special Revenue and Debt Service Fund Types

Year ended December 31, 2001

	General Fund			Special Revenue Fund				Debt Service		
	Actual	Budget	Variance Favorable (Unfavorable)	Actual	Non-appropriated Funds	Adjusted Actual	Budget	Variance Favorable (Unfavorable)	Actual	Budget
Revenues:										
Taxes and special assessments	\$ 3,642,344	2,913,610	728,734	30,700,776	—	30,700,776	29,368,255	1,332,521	1,639,001	1,621,320
Licenses and permits	442,747	384,500	58,247	—	—	—	—	—	—	—
Intergovernmental	1,210,319	973,400	236,919	11,928,739	9,512,925	2,415,814	1,896,067	519,747	—	—
Fees, charges, and commissions for services	—	—	—	73,045	—	73,045	67,500	5,545	—	—
Fines and forfeitures	—	—	—	184,308	—	184,308	160,000	24,308	—	—
Gaming	—	—	—	2,480,919	—	2,480,919	2,525,000	(44,081)	—	—
Use of money and property	91,210	84,000	7,210	1,000,426	—	1,000,426	874,265	126,161	61,546	131,500
Other revenues	167,484	152,450	15,034	336,505	—	336,505	209,500	127,005	—	—
Total revenues	5,554,104	4,507,960	1,046,144	46,704,718	9,512,925	37,191,793	35,100,587	2,091,206	1,790,547	1,752,820
										(52,273)
Expenditures:										
Current:										
General government	5,567,340	5,728,677	161,337	5,815,301	335,444	5,479,857	5,718,267	238,410	—	—
Public safety	—	—	—	6,630,058	—	6,630,058	6,554,038	(76,020)	—	—
Health and welfare	22,034	21,283	(751)	11,692,302	9,224,405	2,467,897	2,347,504	(120,393)	—	—
Education	56,807	79,373	22,566	—	—	—	—	—	—	—
Highways and streets	—	—	—	4,176,409	—	4,176,409	4,516,610	340,201	—	—
Sanitation	—	—	—	1,648,856	—	1,648,856	1,776,581	127,725	—	—
Culture and recreation	—	—	—	7,904,719	—	7,904,719	12,174,969	4,270,250	—	—
Economic development	—	—	—	2,420,192	—	2,420,192	2,642,899	222,707	—	—
Debt service	—	—	—	513,998	—	513,998	515,045	1,047	2,155,452	2,157,434
Total expenditures (note 7)	5,646,181	5,829,333	183,152	40,801,835	9,559,849	31,241,986	36,245,913	5,003,927	2,155,452	2,157,434
										1,982
Excess (deficiency) of revenues over (under) expenditures	(92,077)	(1,321,373)	1,229,296	5,902,883	(46,924)	5,949,807	(1,145,326)	7,095,133	(454,905)	(404,614)
Other financing sources (uses):										
Operating transfers in (note 6)	1,240,000	1,240,000	—	1,261,026	—	1,261,026	959,570	301,456	—	—
Operating transfers out (note 6)	—	—	—	(3,797,984)	—	(3,797,984)	(3,794,134)	(3,850)	—	—
Total other financing sources (uses)	1,240,000	1,240,000	—	(2,536,958)	—	(2,536,958)	(2,834,564)	297,606	—	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,147,923	(81,373)	1,229,296	3,365,925	(46,924)	3,412,849	(3,979,890)	7,392,739	(454,905)	(404,614)
Fund balances at beginning of year	2,538,116	2,538,116	—	24,960,529	—	24,960,529	24,960,529	—	3,048,720	3,048,720
Fund balances at end of year	\$ 3,686,039	2,456,743	1,229,296	28,326,454	(46,924)	28,373,378	20,980,639	7,392,739	2,593,815	2,644,106
										(50,291)

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings/Fund Balance

Proprietary Fund Type and Nonexpendable Trust Fund

Year ended December 31, 2001

(with comparative totals for year ended December 31, 2000)

	Proprietary Fund Type Internal Service Funds	Fiduciary Fund Type Nonexpendable Trust Fund	Totals Memorandum Only	
			2001	2000
Operating revenues:				
Charges for sales and services	\$ 1,629,900	—	1,629,900	1,785,346
Employer's contributions	1,740,039	—	1,740,039	1,504,622
Employees' contributions	558,695	—	558,695	502,126
Interest income	—	39,648	39,648	50,210
Net increase (decrease) in fair value of investments	—	(12,998)	(12,998)	13,430
Total revenues	<u>3,928,634</u>	<u>26,650</u>	<u>3,955,284</u>	<u>3,855,734</u>
Operating expenses:				
Claims	2,252,786	—	2,252,786	1,844,009
Cost of sales and services	1,051,063	—	1,051,063	1,252,711
Insurance premiums	690,979	—	690,979	509,714
General and administrative	102,102	—	102,102	127,270
Depreciation	16,222	—	16,222	16,401
Other	209,368	—	209,368	145,249
Total expenses	<u>4,322,520</u>	<u>—</u>	<u>4,322,520</u>	<u>3,895,354</u>
Operating income (loss)	<u>(393,886)</u>	<u>26,650</u>	<u>(367,236)</u>	<u>(39,620)</u>
Nonoperating revenues (expenses):				
Interest income	156,008	—	156,008	191,790
Net increase (decrease) in fair value of investments	14,484	—	14,484	36,802
Interest expense	(13,270)	—	(13,270)	(13,551)
Total nonoperating revenues (expenses)	<u>157,222</u>	<u>—</u>	<u>157,222</u>	<u>215,041</u>
Net income before transfers	<u>(236,664)</u>	<u>26,650</u>	<u>(210,014)</u>	<u>175,421</u>
Transfer in from Riverboat Fund	<u>100,000</u>	<u>—</u>	<u>100,000</u>	<u>—</u>
Net income (loss)	<u>(136,664)</u>	<u>26,650</u>	<u>(110,014)</u>	<u>175,421</u>
Retained earnings/fund balance at beginning of year	<u>2,830,531</u>	<u>1,093,027</u>	<u>3,923,558</u>	<u>3,748,137</u>
Retained earnings/fund balance at end of year	<u>\$ 2,693,867</u>	<u>1,119,677</u>	<u>3,813,544</u>	<u>3,923,558</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Combined Statement of Cash Flows –
Proprietary Fund Type and Nonexpendable Trust Fund

Year ended December 31, 2001
(with comparative totals for year ended December 31, 2000)

	Proprietary Funds	Fiduciary Fund Type Nonexpendable Trust Fund	Totals (Memorandum Only)	
			2001	2000
Cash flows from operating activities:				
Operating income (loss)	\$ (393,886)	26,650	(367,236)	(39,620)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	16,222	—	16,222	16,401
(Increase) decrease in assets:				
Other receivables	44,671	8,769	53,440	(4,867)
Due from other funds	65,394	(1,070,000)	(1,004,606)	867,674
Inventory	14,382	—	14,382	20,728
Increase (decrease) in liabilities:				
Accounts payable and other accrued liabilities	(23,704)	—	(23,704)	(57,131)
Due to other funds	(65,395)	—	(65,395)	135,259
Insurance claims payable	(1,168)	—	(1,168)	14,622
Net cash provided by (used in) operating activities	<u>(343,484)</u>	<u>(1,034,581)</u>	<u>(1,378,065)</u>	<u>953,066</u>
Net cash used in noncapital financing activities -- interest paid	<u>(13,270)</u>	<u>—</u>	<u>(13,270)</u>	<u>(13,551)</u>
Cash flows from investing activities:				
(Purchases) sales of investments	(6,781)	905,882	899,101	(1,179,027)
Transfer in	100,000	—	100,000	—
Investment income	169,781	—	169,781	176,943
Net cash provided by (used in) investing activities	<u>263,000</u>	<u>905,882</u>	<u>1,168,882</u>	<u>(1,002,084)</u>
Net decrease in cash and cash equivalents	(93,754)	(128,699)	(222,453)	(62,569)
Cash and cash equivalents at beginning of year	<u>364,557</u>	<u>143,020</u>	<u>507,577</u>	<u>570,146</u>
Cash and cash equivalents at end of year	<u>\$ 270,803</u>	<u>14,321</u>	<u>285,124</u>	<u>507,577</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Notes to Combined Financial Statements

December 31, 2001

(1) Summary of Significant Accounting Policies

The Caddo Parish Commission (the Commission) is the governing authority for Caddo Parish and is a political subdivision of the State of Louisiana. The Commission, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy, and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health and welfare, libraries, culture and recreational facilities, economic development, and general administrative services.

The Commission was established December 10, 1984, after voter approval of the Home Rule Charter for Caddo Parish on April 7, 1984. The Commission replaced the Caddo Parish Police Jury which was established January 18, 1838.

(a) Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

These financial statements present only the Caddo Parish Commission (the primary government) and do not include the data of the discrete component units necessary for reporting in conformity with accounting principles generally accepted in the United States of America.

The accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies:

(b) Basis of Presentation

The accounts of the Commission are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Commission:

Governmental Funds

Governmental funds are those through which most governmental functions of the Commission are financed. The acquisition, use, and balances of the Commission's expendable financial resources and the related liabilities are accounted for through governmental funds. All governmental funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance

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sheets. The reported fund balance (net current assets) is considered a measure of "available expendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. The following are the Commission's governmental fund types:

General Fund – The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund receives a dedicated portion of ad valorem taxes paid to the Commission.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. These funds are also used to account for the construction of public improvements which are to be ultimately financed through assessments to individual property owners.

Proprietary Fund Type

The Proprietary Fund type is used to account for the Commission's ongoing organizations and activities which are similar to those often found in the private sector. The Internal Service Funds are the only Proprietary Funds maintained by the Commission. The Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost-reimbursement basis. The following are the Commission's Internal Service Funds:

Group Insurance Fund – The Group Insurance Fund is used to account for employee medical and life insurance coverage.

General Insurance Fund – The General Insurance Fund is used to account for casualty and workmen's compensation insurance coverage and claims.

Fleet Services – The Fleet Services Fund is used to account for the vehicle and equipment repair services provided by the Commission's Central Garage location.

Fiduciary Funds

Trust and Agency Funds – Trust and Agency Funds are used to account for assets held in a trustee capacity or as an agent for other governments. These include Expendable Trust, Nonexpendable Trust, and Agency Funds. The Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature and do not involve measurement of results of operations.

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All Proprietary and Nonexpendable Trust Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Their fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Account Groups

Account groups are used to establish accounting control and accountability for the Commission's general fixed assets and general long-term obligations. The following are the Commission's account groups:

General Fixed Assets Account Group – This account group is established to account for all fixed assets of the Commission.

General Long-Term Obligation Account Group – This account group is established to account for all long-term obligations of the Commission.

(c) *Fixed Assets and Long-Term Liabilities*

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets.

All governmental fund fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their fair market value on the date donated.

Fixed assets of the Proprietary Funds are recorded at cost, if purchased, and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense.

Assets in the General Fixed Assets Account Group are not depreciated, nor is interest capitalized. Depreciation is computed on the straight-line method for the fixed assets of the Proprietary Funds over the estimated useful lives of the assets.

Long-Term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligation Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

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Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Obligation Account Group.

(d) Basis of Accounting

In 2001, the Commission adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources and the timing of recognition of these transactions. See note 13 for the adjustments required as a result of implementation of the statement.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. Proprietary funds and the nonexpendable trust fund are accounted for on an accrual basis. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds (General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds) and the Expendable Trust Fund and Agency Fund are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose the Commission considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period except for state revenue sharing revenues which are considered "available" if collected within 180 days because the normal settlement process is normally completed within 180 days of year end. Ad valorem taxes are recognized as revenues in the year for which they are levied.

Substantially all other nonintergovernmental revenues are susceptible to accrual and are recognized when earned or the underlying transaction occurs. For intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. In reimbursement-type programs, monies must be expended on the specific purpose or project before any amounts will be paid to the Commission; therefore, revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

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Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due.

(e) *Budgets and Budgetary Accounting*

The Commission utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to November 1, the Parish Administrator submits to the Commission a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 27, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are budgeted by department (function) or program expenditures. The Home Rule Charter provides that expenditures may not legally exceed appropriations on a functional (departmental or program) basis. Expenditures approved on a functional level are detailed by object account by the Parish Administrator and Finance Director. Revisions to the budget as enacted at the department (function) or program level require Commission action. Revisions at the object level can be approved by the Parish Administrator without seeking approval of the Commissioners. Several such revisions were made during the year ended December 31, 2001.
- (5) The Commission utilizes formal budgetary integration as a management control device and annual budgets are legally adopted for the General Fund, certain Special Revenue Funds, and Debt Service Fund.
- (6) Comparison of budgeted and actual amounts as shown in Exhibit 3 in the accompanying financial report includes the General Fund, those Special Revenue Funds which are included in the annual operating budget and for which a budget to actual comparison is required, and the Debt Service Fund. Annual operating budgets were not prepared for the Section 8 Housing Fund, Federal Grants Fund, the Juvenile Accountability Block Grant Fund, and the Criminal Justice Fund. Section 8 Housing prepares their budget on a grant entitlement basis rather than an annual basis. The budget is not readily convertible to an annual operating budget and thus is not included in the financial statements. The Federal Grants and the Juvenile Accountability Block Grant Special Revenue Funds were established to account for transactions involving federal funds received by the Commission. The Criminal Justice Fund was projected to be established in 2002 to account for the proceeds of a special ad valorem tax, however, costs associated with the election were incurred in 2001 for which there was no budget. An annual operating budget was not adopted for these funds. Actual amounts for Section 8 Housing, the

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Federal Grants Fund, the Juvenile Accountability Block Grant Fund, and the Criminal Justice Fund are included in the "Nonappropriated Funds" column in Exhibit 3.

The capital budget appropriations which encompass the Capital Projects Funds present cumulative (project length) as opposed to annual budget amounts, and thus budget and actual comparisons are not reported in the accompanying financial report for these funds. Actual to budget comparison is not required for the Internal Service Fund and Fiduciary Funds.

- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations which are not expended lapse at year end.

(f) *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the Commission's governmental funds. Every appropriation, except an appropriation for a capital expenditure, will lapse at the close of the fiscal year to the extent it has not been expended. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

(g) *Investments*

State statutes authorize the Commission to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments of the Commission are stated at fair value. Investments, excluding the LAMP investments, are held in the Commission's name through a book-entry system at the Federal Reserve Bank.

(h) *Inventories*

Inventories are valued at cost using the first in, first out (FIFO) method. Inventory in the Internal Service Fund consists of parts, signs, and fuel. Inventories are accounted for using the purchase method.

(i) *Deferred Revenues*

Deferred revenues for ad valorem taxes represent those amounts of current year taxes not received within the 60-day period after December 31. Certain licenses are collected in advance; therefore, the recognition of revenue is deferred until the following year.

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In addition, deferred revenues in the Road Construction Capital Projects Fund exist because paving assessments receivable are collected over several years. Revenue will be recognized as paving assessments receivable become current. As paving assessments become current but are not collected, the receivables then become delinquent. These receivables are secured by the property improved by the assessments and are therefore collectible. Delinquent receivables are immaterial.

(j) Vacation and Sick Leave

Full-time Commission employees may earn from nine to twenty-one days of annual leave and twelve to twenty-four days of sick leave per year depending on length of service. Upon resigning, employees may be paid for accumulated annual leave. Retiring employees are not paid for accrued annual leave, but they are given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Full-time Shreve Memorial Library employees may earn from twelve to twenty-two days of annual leave and six to fifteen days of sick leave annually depending on length of service. Employees may accrue a maximum of forty-four days of annual leave and sixty days of sick leave. Any accrual over the maximum is forfeited. Employees resigning or retiring from the Library with proper notice are paid for their accrued annual leave. Accumulated sick leave is canceled upon termination or retirement with no credit toward retirement length of service.

The Commission accrues costs incurred for annual leave in the General Long-Term Obligation Account Group. Accrued sick leave benefits are not accrued due to the Commission's policy of not paying benefits upon termination. No accrual is made in the governmental funds because the current portion of the liability does not exceed a normal year's accumulation of benefits and are deemed immaterial. Vacation and sick leave of Shreve Memorial Library are not accrued due to immateriality.

(k) Comparative Total Data

Comparative total data for the prior year have been presented in the accompanying combined financial statements to provide an understanding of changes in the Commission's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements, since their inclusion would make the statements unduly complex and difficult to read. Certain amounts relating to 2000 have been reclassified in the accompanying financial statements to conform with the 2001 presentation.

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(l) Total Columns on Financial Statements -- Overview

Total columns on the financial statements are captioned *Memorandum Only* to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in aggregation of this data.

(m) Pension Plans

The Commission participates in two pension plans which are administered by other governmental entities. These plans cover substantially all employees who meet certain length of service requirements (see note 8 for details of these plans).

(n) Reserves

Use of the term "reserve" in describing governmental fund "Fund Balances" and proprietary fund "Retained Earnings" indicates that a portion of the fund balance or retained earnings is not appropriable for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

Debt Service

This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt and revenue bonds.

Payment of Claims

This amount represents the total retained earnings of the Group Insurance and General Insurance Internal Service Funds which are reserved for payment of insurance claims of Commission employees and casualty and workmen's compensation claims filed against the Commission.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances.

Revolving Loans to General Fund

This amount represents the total fund balance of the Jail Site Nonexpendable Trust Fund which, as mandated by the Louisiana State Legislature, is reserved for and restricted to providing a source of funding for the purpose of making annual revenue anticipation loans to the General Fund.

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Contingencies

This represents the fund balance of the Reserve Trust Fund, established to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity, or other occasion requiring immediate emergency funding needs or cash flow loan demand.

Industrial Development

This amount represents the total fund balance of the Penal Farm Expendable Trust Fund which is reserved for industrial development in Caddo Parish.

(o) Designations

Use of the term "designated" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of these designations are explained as follows:

Designated for Future Claims

This amount represents a portion of fund balance that has been designated to fund possible claims and losses from lawsuits.

Designated for Subsequent Year Expenditures

This amount represents a portion of the current year fund balance that has been designated in the subsequent year budget to cover anticipated expenditures in excess of revenues.

(p) Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and fiduciary funds. Reference should be made to note 6 regarding interfund transactions.

The Criminal Court Agency Fund includes receipts and disbursements of the First Judicial District Court. The monies in the fund are not available for use by the Commission. However, state law requires that the Commission fund all deficits of the fund and entitles the Commission to one-half of any surplus. These transactions are accounted for as receipts or disbursements of the Criminal Court Fund and the General Fund as applicable.

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(q) *Grants From Other Governmental Agencies*

Federal and state governmental agencies represent an important source of supplementary funding to finance housing, employment, construction programs, and other activities beneficial to the parish. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, and Capital Projects Funds. A grant receivable is recorded when the Commission has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually under the single audit approach as mandated in OMB Circular A-133.

(r) *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Commission considers all highly liquid investments with an original maturity of three months or less when purchased and its investment in LAMP to be cash equivalents.

(s) *Capital Leases*

Capital leases are recorded as expenditures and other financing sources at inception in governmental funds at an amount equal to the present value of minimum lease payments. The asset is recorded in the General Fixed Assets Account Group and the related debt in the General Long-Term Debt Account Group. In proprietary funds, capital leases are recorded as assets and liabilities at inception at an amount equal to the present value of minimum lease payments.

(2) *Cash and Investments*

(a) *Deposits*

All deposits of the Commission are held by area financial institutions. At December 31, 2001, the carrying amount of the Commission's cash deposits was \$5,299,505, and the bank balance was \$5,757,407. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount of the deposit with the fiscal agent.

Of the bank balance at December 31, 2001, \$226,373 was covered by federal depository insurance and \$5,531,034 was collateralized with securities held by the pledging financial institution. Collateral securities were held in the Commission's name by the Federal Reserve Bank and require Commission approval in order to release the collateral.

The Commission maintains a pooled cash and investments account for all funds of the Commission. Each fund's positive equity in the pooled cash account is presented as "Cash and Cash Equivalent" or "Investments" in the statements. Negative equity balances have been reclassified and are reflected as interfund accounts payable. Interest income and interest expense are allocated to each respective individual fund monthly, based on their respective fund balances.

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(b) Investments

State statutes authorize the Commission to invest in direct obligations of the United States Treasury, United States government agency obligations, Louisiana Asset Management Pool (LAMP), or certificates and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana.

The Commission's investments, with the exception of the LAMP, are considered to be Category 1. Category 1 includes investments that are insured or registered or for which the securities are held by the Commission or its safekeeping agent in the Commission's name. The U.S. treasury and agency obligations are held in the Commission's name through a book-entry system at the Federal Reserve Bank. The Commission's investments and deposits at December 31, 2001 include the following:

	<u>Category 1</u>	<u>Carrying Amount and Fair Value</u>
U.S. government and U.S. government agency obligations	\$ 32,071,369	32,071,369
Repurchase Agreement	121,006	121,006
Louisiana Asset Management Pool (LAMP)	N/A	<u>2,812,229</u>
Total investments		35,004,604
Total deposits		<u>5,299,505</u>
Cash, cash equivalents, and investments		\$ <u><u>40,304,109</u></u>

- Investments in LAMP are not categorized above because they are not evidenced by securities that exist in physical or book entry form. LAMP, a local government investment pool, is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a-7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to give participants immediate access to their account balances.

(3) Ad Valorem Taxes

The Commission levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the Commission on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

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The Caddo Parish Sheriff's Office bills and collects property taxes for the Commission. Collections are remitted to the Commission monthly. Commission property tax revenues are recognized when levied to the extent that they are collected within 60 days after year end.

Property Tax Calendar

Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Total taxes are due	December 31
Penalties and interest are added	January 1
Lien date	January 1
Tax sale - 2001 delinquent property	On or about May 25, 2002

The Commission is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes, 35% of the assessed valuation for the payment of principal and interest on long-term debt after approval by the voters of the parish. A total of approximately \$387,545,378 of additional bonded debt is available for issuance pursuant to the 35% limitation. Property taxes are recorded as receivables and revenues in the year assessed, net of combined estimated allowance for uncollectible accounts of \$1,810,943. Taxes totaling \$1,718,005 not collected within 60 days have been deferred.

Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following ratios to fair value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2000. Total assessed value was \$1,148,501,080 in 2001. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$294,524,450 of the assessed value in 2001.

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The distribution of the Commission's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2001:

Fund	Property Within Shreveport or Vivian	Property Outside Shreveport and Vivian
General Fund	\$ 3.70	7.40
Road and Bridge	5.26	5.26
Courthouse Maintenance	3.01	3.01
Detention Facilities	6.53	6.53
Parks and Recreation	.95	.95
Solid Waste Disposal	.38	.38
Drainage	1.41	1.41
Juvenile Court	2.18	2.18
Health Unit	2.54	2.54
Shreve Memorial Library	10.30	10.30
Biomedical Center	1.95	1.95
Debt Service	1.95	1.95
	<u>\$ 40.16</u>	<u>43.86</u>

(4) Changes in Fixed Assets

A summary of changes in general fixed assets of the governmental funds and fixed assets of the Proprietary Fund Type follows:

	Balance, January 1, 2001	Additions	Retirements	Balance, December 31, 2001
General Fixed Assets Account Group:				
Land and land improvements	\$ 8,343,705	—	—	8,343,705
Buildings and structures	62,888,831	307,077	(38,470)	63,157,438
Machinery and equipment	14,649,628	2,004,633	(226,773)	16,427,488
Vehicles	4,957,145	332,929	(224,933)	5,065,141
Construction in progress	4,135,030	1,990,049	(1,000,105)	5,124,974
	<u>\$ 94,974,339</u>	<u>4,634,688</u>	<u>(1,490,281)</u>	<u>98,118,746</u>

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At December 31, 2001, construction in progress largely consisted of approximately \$3,278,000 in construction projects of the Shreve Memorial Library. Also, construction in progress contained a 400 ton chiller project for approximately \$344,000 and a fireproof stairwell project for \$690,000.

	January 1, 2001	Additions	Retirements	December 31, 2001
Fixed assets of Proprietary				
Fund Type:				
Land	\$ 163,475	—	—	163,475
Sewer line	107,541	—	—	107,541
Buildings	134,428	—	—	134,428
Vehicles	14,579	—	—	14,579
Equipment	69,759	—	—	69,759
	<u>489,782</u>	<u>—</u>	<u>—</u>	<u>489,782</u>
Less accumulated depreciation	<u>96,413</u>	<u>16,222</u>	<u>—</u>	<u>112,635</u>
	<u>\$ 393,369</u>	<u>(16,222)</u>	<u>—</u>	<u>377,147</u>

The Fleet Services Fund is an Internal Service Fund established to account for the vehicle and equipment repair services provided by the Commission's Central Garage facility. Fixed assets with a net book value of \$350,283 were transferred into the Fleet Services Fund over the years and are recorded as contributed capital. The original estimated useful lives of the classes of depreciable fixed assets are as follows:

Sewer Line	50 years
Building	45 years
Vehicles	5 years
Equipment	5 – 20 years

The Commission leases the new Shreveport Regional Lab to the State Department of Health and Hospitals under an operating lease expiring in June of 2009. The building being leased has a cost of \$1,398,800. Minimum future rentals to be received are as follows:

Years ending December 31:	Amount
2002	\$ 144,996
2003	144,996
2004	144,996
2005	144,996
2006 – 2009	507,486

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(5) Long-Term Debt

Long-term debt at December 31, 2001 is comprised of the following issues:

General obligation bonds – applicable to general parish operations:

\$13,685,000 1995 Refunding Bonds, due in annual installments of \$1,080,000 to \$1,685,000 through February 1, 2009; interest at 4.35% to 5.50%	\$ 11,125,000
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\$3,425,000 1998 Refunding Bonds, due in annual installments of \$40,000 to \$420,000 through February 1, 2011; interest at 3.75% to 4.65%	3,305,000
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Total general obligation bonds payable	14,430,000
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\$3,500,000 Certificates of Indebtedness, Series 2000, due in annual installments of \$300,000 to \$420,000 through December 1, 2009; interest at 4.4% to 5.3%	2,910,000
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\$7,000,000 Certificates of Indebtedness, Series 2001, due in annual installments of \$1,080,000 to \$1,800,000 through March 1, 2006; interest at 3.24% to 3.9%	7,000,000
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Total certificates of indebtedness	9,910,000
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Total long-term debt	\$ 24,340,000
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The annual requirements to amortize all long-term debt outstanding as of December 31, 2001, including interest payments of \$4,585,365 are as follows:

Years ending December 31:	<u>Long-Term Debt Payable</u>
2002	\$ 4,567,004
2003	4,321,461
2004	3,964,424
2005 – 2009	15,219,197
2010 – 2012	853,279
	\$ 28,925,365

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A summary of changes in general long-term obligations follows:

	<u>Long Term Debt</u>	<u>Accrued Compensated Absences</u>	<u>Total</u>
Balance, December 31, 2000	\$ 18,965,000	817,507	19,782,507
Debt retirements	(1,625,000)	—	(1,625,000)
Debt additions and net increase in accrued compensated absences	<u>7,000,000</u>	<u>42,215</u>	<u>7,042,215</u>
Balance, December 31, 2001	<u>\$ 24,340,000</u>	<u>859,722</u>	<u>25,199,722</u>

Principal payments of \$1,325,000 plus interest of \$748,883 on the bonds payable were paid from the Debt Service Fund. Principal payment of \$300,000 plus interest of \$213,998 on the certificates of indebtedness was paid from the Riverboat Fund and the Shreve Memorial Library Fund.

There are a number of limitations and restrictions contained in the various bond indentures and the certificates. The Commission is in substantial compliance with all significant limitations and restrictions.

General obligation bonds are direct general obligations of the Commission. Principal and interest are payable from ad valorem taxes levied on all taxable property within the parish.

On June 1, 2001, the Commission issued \$7,000,000 in limited tax certificates of indebtedness. This issue was approved by the voters in a special election held April 20, 1996. The proceeds from the certificates are to be used for acquiring, equipping, constructing, and improving the public library system.

In March 1998, the Commission issued \$3,425,000 of general obligation refunding bonds to advance refund a portion of the Series 1991 A and the Series 1991 B general obligation bonds in the amounts of \$2,445,000 and \$695,000, respectively. The Series 1991 A and B bonds are considered defeased and the liability for those bonds has been removed from the general long-term obligation account group. At December 31, 2001, the outstanding balance on the 1991 A and 1991 B refunded bonds was \$2,445,000 and \$695,000, respectively, as no payments are due until February 1, 2002.

In 1995, the Commission issued \$13,685,000 in general obligation refunding bonds to advance refund a portion of the 1989 Series general obligation bonds in the amount of \$12,580,000. The outstanding principal balances on the 1989 series bonds from February 1, 2001 to February 1, 2009 were the balances subject to the advance refunding and are considered to be defeased. The outstanding balance of the defeased bonds at December 31, 2001 is \$10,780,000.

CADDO PARISH COMMISSION
Shreveport, Louisiana
Notes to Combined Financial Statements
December 31, 2001

(6) Other Required Individual Fund Disclosures

(a) *Interfund Receivables and Payables*

Individual fund interfund receivable and payable balances at December 31, 2001 were as follows:

Fund	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 301,753	1,070,000
Special Revenue Funds:		
Courthouse Maintenance	—	213,363
Detention Facilities	—	3,517,144
Solid Waste Disposal	169,525	—
Juvenile Court Fund	—	1,640,024
Health Unit	—	190,722
Biomedical Fund	—	518,795
Shreve Memorial Library	297,610	—
Riverboat Fund	—	53,664
Capital Projects Funds:		
Capital Outlay	4,156,375	—
Road Construction	1,528,787	—
Library Bond	—	297,610
Internal Service Funds:		
Group Insurance	312,416	—
General Insurance	121,134	—
Fleet Services	—	433,550
Fiduciary and Agency Funds:		
Jail Site	1,070,000	—
Criminal Court	—	22,728
	<u>\$ 7,957,600</u>	<u>7,957,600</u>

CADDO PARISH COMMISSION
Shreveport, Louisiana
Notes to Combined Financial Statements
December 31, 2001

(b) Operating Transfers

A reconciliation of operating transfers follows:

	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
General Fund	\$ 1,240,000	—
Special Revenue Funds:		
Detention Facilities	520,000	—
Parks and Recreation	25,000	165,500
Solid Waste Disposal	625	94,000
Drainage	3,221	808,000
Juvenile Court	260,000	24,906
Health Unit	—	147,980
Shreve Memorial Library	297,610	—
Juvenile Accountability Block Grant	—	65,094
Riverboat Fund	154,570	2,492,504
Capital Projects Funds:		
Road Construction	—	4,964,571
Criminal Justice Facilities	—	39,055
Capital Outlay	6,286,780	34,570
Library Bond	—	297,610
Proprietary Funds – Fleet Service	100,000	—
Fiduciary and Agency Funds:		
Reserve Trust	252,504	—
Penal Farm	—	6,520
	<u>\$ 9,140,310</u>	<u>9,140,310</u>

The Capital Outlay Fund was established to budget and monitor the status of ongoing capital projects and expenditures. The funding for this fund is provided primarily through operating transfers from various other funds of the Commission.

CADDO PARISH COMMISSION
Shreveport, Louisiana
Notes to Combined Financial Statements
December 31, 2001

(7) Compliance, Stewardship, and Accountability

(a) Excess of Expenditures Over Appropriations

For those funds for which a budget to actual comparison was made, 2001 actual expenditures exceeded budgeted expenditures on a departmental basis as follows:

<u>Fund</u>	<u>Expenditures</u>		<u>Unfavorable Variance</u>
	<u>Budget</u>	<u>Actual</u>	
General Fund:			
Health and Welfare	\$ 21,283	22,034	(751)
Special Revenue Funds:			
Detention Facilities Fund –			
Public Safety	4,745,588	4,885,863	(140,275)
Juvenile Court –			
Building and Maintenance	168,922	214,788	(45,866)
Shreve Memorial Library –			
Debt Service	70,000	70,303	(303)

An explanation for any large unfavorable budget variance follows:

Detention Facilities – Public Safety – The variance is the result of additional costs for feeding and housing prisoners due to an increase in prison population at the Caddo Correctional Center. Also, the Commission incurred additional costs for prisoner medical care resulting from increased prescription drug costs and increased costs for guard services.

(b) Deficit Fund Balance/Retained Earnings

The Fleet Services Internal Service Fund has a deficit retained earnings of \$360,835. The Commission plans to eliminate the deficit through capital contributions over a four-year period with 50% allocated upon service volumes by the operating departments and 50% from general revenues.

The Criminal Justice Special Revenue Fund has a deficit fund balance of \$112,018. This fund was established in 2001 to account for the proceeds of a special ad valorem tax dedicated for criminal justice expenditures. This fund was projected to be established in 2002, however, it was established in 2001 to account for the expenses associated with the costs of the election. The deficit will be funded by proceeds of the ad valorem tax in 2002.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Notes to Combined Financial Statements

December 31, 2001

(c) Budgets and Budget Basis of Accounting

Annual expenditure budgets are adopted for the General Fund, certain Special Revenue Funds, and the Debt Service Fund. Revisions made to the original budget for each fund were as follows:

	<u>Original Budget</u>	<u>Total Revision</u>	<u>Revised Budget</u>
General Fund	\$ 5,749,333	80,000	5,829,333
Special Revenue Funds:			
Road and Bridge	4,516,610	—	4,516,610
Courthouse Maintenance	2,553,806	—	2,553,806
Detention Facilities	6,308,198	152,000	6,460,198
Parks and Recreation	772,539	—	772,539
Solid Waste Disposal	1,776,581	—	1,776,581
Drainage	333,537	159,384	492,921
Juvenile Court	2,480,165	(201,670)	2,278,495
Health Unit	2,323,504	24,000	2,347,504
Law Officers Witness	44,890	48,950	93,840
Biomedical	2,642,899	—	2,642,899
Shreve Memorial Library	11,727,406	(254,976)	11,472,430
Riverboat	838,090	—	838,090
Debt Service Fund	2,157,434	—	2,157,434

All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

(8) Defined Benefit Pension Plans**(a) Description of Plans**

The Commission provides retirement, death, and disability benefits to its employees through two pension plans administered by other governmental entities. These plans are:

Parochial Employees' Retirement System of Louisiana (Parochial Plan)

Plan Description – Substantially all Commission employees are members of this cost-sharing multiple-employer public employee statewide plan administered by the Parochial Employees' Retirement System. All classified parish employees who work at least 28 hours per week and are under 60 years of age are required to become members of the plan on the date of employment. Benefit provisions are established in accordance with Louisiana State Statute. The Parochial Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Notes to Combined Financial Statements

December 31, 2001

Funding Policy – Covered employees are required to contribute 9.5% of their salary. The Commission is required to contribute 7.75% of covered employees' salaries. The employer and employee contribution obligations are established and may be amended by Louisiana State Statute. The Commission's contributions for the years ended December 31, 2001, 2000, and 1999 were \$713,755, \$689,511, and \$653,445, respectively, equal to the required contributions for each year. The plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

City of Shreveport Employees' Retirement System (City Plan)

Plan Description – Substantially all employees of the Shreve Memorial Library are members of this cost-sharing multiple-employer defined benefit plan which is administered by the City of Shreveport. Enrollment is mandatory for full-time permanent employees. Benefit provisions are established and may be amended by City ordinance. The City of Shreveport issues a publicly available financial report that includes financial statements and required supplementary information of the City Plan. That report may be obtained by writing the City of Shreveport, 1234 Texas Avenue, Shreveport, Louisiana 71101.

Funding Policy – Plan members are required to contribute 5% of their salary. The Commission is required to contribute 9.15% of covered employees' salaries. This total contribution rate is allocated between the City Plan and the ERS Employer Contribution Plan which is a savings plan for members. Under this employer allocation, 5.1% is contributed to the retirement plan and up to 4.05% is contributed to the savings plan based on a matching of the member's contributions. Any amounts not matched are contributed to the retirement plan. These percentages can vary from year to year based on actuarial evaluations, but in no case will the employer total rate of 9.15% change. The employer and employee contribution obligations are established and may be amended by Shreveport City Ordinance. The Commission's contributions for the years ended December 31, 2001, 2000, and 1999, were \$191,623, \$165,048, and \$149,268, respectively, equal to the required contribution for each year. The plan's pension liability was determined in accordance with GASB Statement No. 27 and equaled zero before and after the transition.

(9) Post-Employment Health Care Benefits

In addition to the pension benefits described in note 8, the Commission provides postretirement health care benefits and life insurance, in accordance with state statutes, to all retiring employees who were participating in the group insurance plan prior to their retirement date. The Commission is self-insured for medical benefits including postretirement health care benefits and life insurance. Currently, there are 97 retirees receiving life insurance coverage and 80 receiving health care benefits. The Commission reimburses 80% of the amount of validated claims for medical and hospitalization costs incurred by pre-Medicare employees and their dependents. The Commission also reimburses 80% of Medicare supplemental benefits for retirees over the age of 65. Expenditures for postretirement health care benefits are recognized in the year claims are incurred. During 2001, expenditures of \$529,518 were recognized for postretirement health care. In addition, expenditures of \$20,000 were recognized for life insurance benefits paid during 2001.

CADDO PARISH COMMISSION
Shreveport, Louisiana
Notes to Combined Financial Statements
December 31, 2001

(10) Contingencies

Litigation

The Commission is a defendant in several lawsuits involving civil actions. In the opinion of legal counsel, the Commission's ultimate exposure is unknown at this time. It is the policy of the Commission to pay judgments against the Commission on a current basis from current revenues. Settlements from litigation, insurance, and liability claims are included in General Insurance Fund expenditures.

Grant Disallowances

The Commission participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Commission management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

(11) Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The Group Insurance Fund is used to account for self-insurance activities involving group medical and life insurance coverage for Commission employees. The General Insurance Fund is used to account for self-insurance activities involving workers' compensation and general liability claims.

The Commission maintains property, general, automobile, and excess liability insurance coverage. The limit of coverage on the general liability policy is \$1,000,000 per occurrence and \$3,000,000 in the aggregate. The excess liability policy contains an additional aggregate limit of \$1,000,000 for general liability claims. The Commission is self-insured for medical benefits and workers' compensation coverage. Employees contribute for medical benefits coverage, and each department that pays salaries contributes for both medical and workers' compensation coverage. The Commission maintains stop-loss coverage with an insurance company for medical claims in excess of \$75,000 per occurrence with an aggregate total of 125% of expected losses. Stop-loss coverage is also maintained for workers' compensation cases above \$200,000. Settlements have not exceeded insurance coverage for each of the past three fiscal years, and there were no reductions in insurance coverage from coverage in the prior year.

Payments to the Internal Service Funds are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the self-insurance programs. Payments in excess of actual expenses are recorded as operating transfers. At December 31, 2001, \$2,481,090 and \$573,612, respectively, are reported as a reserve of the Group Insurance Fund and General Insurance Fund retained earnings balance for future payment of claims.

All self-insurance programs are accounted for within Internal Service Funds. The Commission has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Notes to Combined Financial Statements

December 31, 2001

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage, and subrogation. The claims liability of \$198,608 and \$27,447 reported in the Group Insurance and General Insurance Funds, respectively, at December 31, 2001 are based on the requirements of GASB Statement No. 10.

Changes in the Group Insurance Fund's claims liability amount in fiscal years 2000 and 2001 were:

		<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2000	\$	192,052	1,546,375	1,546,885	191,542
2001		191,542	1,975,708	1,968,642	198,608

Changes in the General Insurance Fund's claims liability amount in fiscal years 2000 and 2001 were:

		<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2000	\$	20,549	297,634	282,502	35,681
2001		35,681	277,078	285,312	27,447

(12) Changes in Contributed Capital – Fleet Services Fund

The following changes in contributed capital occurred during the year:

Balance, January 1, 2001	\$	350,283
Contributions		—
Retirement of fixed assets		—
Balance, December 31, 2001	\$	<u>350,283</u>

CADDO PARISH COMMISSION
Shreveport, Louisiana
Notes to Combined Financial Statements
December 31, 2001

(13) Implementation of GASB Statement No. 33

In 2001, the Commission adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources and the timing of recognition of these transactions. The implementation of this statement required a restatement of the beginning fund balance of the Road Construction Capital Project Fund and the Solid Waste Disposal Special Revenue Fund as follows:

	<u>Road Construction Fund</u>	<u>Solid Waste Disposal Fund</u>
Fund balance, as of December 31, 2000, as previously reported	\$ 6,045,244	2,742,944
Accrual of sales tax revenues	<u>254,595</u>	<u>127,107</u>
Fund balance as of December 31, 2000, as restated	\$ <u>6,299,839</u>	<u>2,870,051</u>

(14) New Funds

In 2001, the Commission created the Criminal Justice Fund as a special revenue fund to account for the proceeds of a special ad valorem tax dedicated for criminal justice system expenditures. During the current year, this fund incurred costs related to the election held to approve this new special ad valorem tax. Proceeds from the tax to cover these costs will be received in 2002.

Also in 2001, the Commission created the Library Bond Fund as a capital project fund to account for the proceeds of certificates of indebtedness issued in 2001. The certificates are dedicated to acquiring, equipping, constructing, and improving the public library.

**COMBINING AND
INDIVIDUAL FUND
AND ACCOUNT GROUP
STATEMENTS
AND SCHEDULES**

GOVERNMENTAL FUNDS

- **GENERAL FUND**
- **SPECIAL REVENUE FUNDS**
- **DEBT SERVICE FUND**
- **CAPITAL PROJECTS FUNDS**

GENERAL FUND

The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

CADDO PARISH COMMISSION
Shreveport, Louisiana

General Fund

Comparative Balance Sheet

December 31, 2001 and 2000

Assets	2001	2000	Liabilities and Fund Balance	2001	2000
Cash and cash equivalents	\$ 36,716	200	Liabilities:		
Investments	831,380	—	Accounts payable and accrued liabilities	\$ 120,821	113,604
Receivables:			Due to other funds:		
Ad valorem property taxes receivable	3,470,037	2,720,107	Due to Jail Site Fund	1,070,000	—
Accrued interest receivable	8,982	—	Due Capital Outlay Fund	—	335,494
Other accounts receivable	67,803	78,254		1,070,000	335,494
	3,546,822	2,798,361	Deferred revenues:		
Due from other government entities	407,146	433,889	Licenses	25,015	24,145
			Other	6,295	—
Due from other funds	301,753	—	Ad valorem taxes	215,647	221,091
				246,957	245,236
			Total liabilities	1,437,778	694,334
			Fund balance:		
			Reserved for encumbrances	32,624	14,015
			Unreserved:		
			Designated for subsequent year expenditures	345,833	1,241,373
			Designated for future claims	362,748	362,748
			Undesignated	2,944,834	919,980
			Total fund balance	3,686,039	2,538,116
Total assets	\$ 5,123,817	3,232,450	Total liabilities and fund balance	\$ 5,123,817	3,232,450

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

General Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual on a Budgetary Basis

Year ended December 31, 2001
(with comparative actual figures for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance Favorable (Unfavorable)	Actual
Revenues:				
Taxes:				
Ad valorem	\$ 3,590,906	2,913,610	677,296	2,815,620
Other taxes, penalties, and interest	51,438	—	51,438	105,931
	<u>3,642,344</u>	<u>2,913,610</u>	<u>728,734</u>	<u>2,921,551</u>
Licenses and permits	442,747	384,500	58,247	371,594
Intergovernmental – State of Louisiana:				
Oil and gas severance tax	764,585	500,000	264,585	750,000
Beer tax	26,461	24,000	2,461	28,335
Timber severance pay	180,783	250,000	(69,217)	334,567
State revenue sharing	145,893	148,400	(2,507)	148,623
Other state revenue	92,597	51,000	41,597	77,065
	<u>1,210,319</u>	<u>973,400</u>	<u>236,919</u>	<u>1,338,590</u>
Use of money and property:				
Interest earned	85,219	84,000	1,219	78,794
Net increase in the fair value of investments	5,991	—	5,991	18,070
	<u>91,210</u>	<u>84,000</u>	<u>7,210</u>	<u>96,864</u>
Other revenues	167,484	152,450	15,034	216,608
Total revenues	<u>5,554,104</u>	<u>4,507,960</u>	<u>1,046,144</u>	<u>4,945,207</u>
Expenditures:				
General government:				
Legislative	436,099	452,824	16,725	443,616
Judicial	929,816	961,211	31,395	753,373
Elections	271,858	327,918	56,060	346,004
Finance and administrative	723,375	769,985	46,610	700,912
District attorney	2,564,838	2,570,000	5,162	2,202,282
Coroner	192,832	193,669	837	187,601
Metropolitan Planning Commission	160,000	160,000	—	160,000
Allocations to other entities	54,500	54,500	—	64,204
Archives	54,473	56,000	1,527	54,593
Miscellaneous	179,549	182,570	3,021	90,557
	<u>5,567,340</u>	<u>5,728,677</u>	<u>161,337</u>	<u>5,003,142</u>
Health and welfare	22,034	21,283	(751)	22,019
Education	56,807	79,373	22,566	59,127
Total expenditures	<u>5,646,181</u>	<u>5,829,333</u>	<u>183,152</u>	<u>5,084,288</u>
Excess (deficiency) of revenues over (under) expenditures	(92,077)	(1,321,373)	1,229,296	(139,081)
Other financing sources (uses):				
Operating transfers in	1,240,000	1,240,000	—	13
Operating transfers out	—	—	—	(542)
	<u>1,240,000</u>	<u>1,240,000</u>	<u>—</u>	<u>(529)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,147,923	(81,373)	1,229,296	(139,610)
Fund balance at beginning of year	2,538,116	2,538,116	—	2,677,726
Fund balance at end of year	<u>\$ 3,686,039</u>	<u>2,456,743</u>	<u>1,229,296</u>	<u>2,538,116</u>

See accompanying notes to financial statements.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The Commission has sixteen special revenue funds.

Road and Bridge Fund – The Road and Bridge Fund accounts for the proceeds of a special ad valorem tax, special assessments, and other revenues dedicated for road and bridge maintenance and improvement.

Courthouse Maintenance Fund – The Courthouse Maintenance Fund accounts for the proceeds of a special ad valorem tax dedicated for maintenance and operation of the parish courthouse and other public buildings.

Detention Facilities Fund – The Detention Facilities Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the maintenance and operation of the Caddo Correctional Center and Juvenile Court Detention Facility.

Parks and Recreation Fund – The Parks and Recreation Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance and operation of the parish park system.

Solid Waste Disposal Fund – The Solid Waste Disposal Fund accounts for the proceeds of a special ad valorem tax, sales tax, and other revenues dedicated for maintenance and operation of the parish solid waste system.

Drainage Fund – The Drainage Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated for maintenance of parish drainage facilities.

Juvenile Court Fund – The Juvenile Court Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish juvenile court facility.

Health Unit Fund – The Health Unit Fund accounts for the proceeds of a special ad valorem tax dedicated to the maintenance and operation of the parish health unit and animal shelter.

Law Officers Witness Fund – The Law Officers Witness Fund accounts for the proceeds of a special case charge on criminal matters. The revenues generated are dedicated to the payment of a special witness fee to law officers who are called as witnesses to testify in district court.

Biomedical Fund – The Biomedical Fund accounts for the proceeds of a special ad valorem tax dedicated to economic development.

Shreve Memorial Library Fund – The Shreve Memorial Library Fund accounts for the proceeds of a special ad valorem tax and other revenues dedicated to the operation of the Shreve Memorial Library system.

Section 8 Housing Fund – The Section 8 Housing Fund accounts for the proceeds of a federal grant program which are dedicated to the payment of housing assistance payments for the benefit of low income individuals. The program is funded by the United States Department of Housing and Urban Development.

Federal Grants Fund – The Federal Grants Fund accounts for federal monies received by the Commission that are passed through to the Caddo Community Action Agency.

Juvenile Accountability Block Grant Fund – The Juvenile Accountability Block Grant accounts for federal monies received by the Commission to provide programs that promote greater accountability in the juvenile justice system.

Riverboat Fund – The Riverboat Fund accounts for revenues received by the Commission from boarding fees related to the riverboat casinos.

Criminal Justice Fund – The Criminal Justice Fund accounts for the proceeds of a special ad valorem tax dedicated for criminal justice system expenditures.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Funds
Combining Balance Sheet

December 31, 2001
with comparative totals for 2000

Assets	Road and Bridge Fund	Courthouse Maintenance Fund	Detention Facilities Fund	Parks and Recreation Fund	Solid Waste Disposal Fund	Drainage Fund	Juvenile Court Fund	Health Unit Fund	Law Officers Witness Fund	Biomedical Fund	Shreve Memorial Library Fund	Section 8 Housing Fund	Riverboat Fund	Criminal Justice Fund	Totals	
															2001	2000
Cash and cash equivalents	\$ 144,056	423	—	25,179	719,349	119,762	6,930	316	67,099	6,388	2,632,534	136,001	660	—	3,858,697	3,422,372
Investments	552,936	6,207	—	76,414	2,696,940	814,892	152,116	4,929	188,889	145,463	—	—	15,020	—	4,653,806	2,691,343
Receivables:																
Ad valorem taxes	4,104,052	2,348,519	5,094,957	741,227	296,490	1,100,137	1,700,919	1,981,806	—	1,521,465	8,036,455	—	—	—	26,926,027	26,293,555
Paving assessments	21,257	—	—	—	—	—	—	—	—	—	—	—	—	—	21,257	22,670
Accrued interest	5,974	68	—	—	29,139	8,304	1,644	53	2,041	1,572	—	—	162	—	49,457	43,227
Other	80	—	—	926	262,829	—	—	—	—	—	—	—	233,056	—	496,891	347,498
Due from other funds	—	—	—	—	169,525	—	—	—	—	—	297,610	—	—	—	467,135	104,765
Due from other governmental agencies	221,489	128,428	355,228	37,656	—	54,774	330,166	113,698	1,248	77,907	415,200	—	—	—	1,755,794	1,239,465
Other assets	—	—	—	—	—	—	—	—	—	—	37,711	—	—	—	37,711	22,012
Total assets	\$ 5,049,844	2,483,645	5,450,185	881,402	4,174,272	2,098,369	2,191,775	2,100,802	259,277	1,752,795	11,419,510	136,001	248,898	—	38,246,775	34,186,707
Liabilities and Fund Balances																
Liabilities:																
Accounts payable and accrued liabilities	\$ 115,545	73,974	491,784	19,426	281,217	3,825	127,087	86,767	—	431,881	212,461	118,656	33,184	—	1,995,807	1,650,711
Due to other funds	—	213,363	3,517,144	—	—	—	1,640,024	190,722	—	518,795	—	—	53,664	—	6,153,712	5,452,007
Due to other governmental agencies	—	—	—	—	—	—	205,000	—	—	—	—	—	—	112,018	317,018	205,000
Refundable deposits	839	—	—	—	—	—	—	—	—	—	—	—	—	—	839	840
Deferred revenues	216,276	123,768	314,895	42,270	15,628	59,061	89,642	104,439	—	80,188	426,778	—	—	—	1,472,945	1,917,620
Total liabilities	332,660	411,105	4,523,823	61,696	296,845	62,886	2,061,753	381,928	—	1,030,864	639,239	118,656	86,848	112,018	9,920,321	9,226,178
Fund balances:																
Reserved for encumbrances	3,238	24,703	63,311	2,562	65,176	2,403	2,142	4,671	—	—	4,581,162	—	—	—	4,749,368	889,677
Unreserved:																
Designated for subsequent year expenditures	—	—	473,411	—	—	—	127,880	—	870	302,619	—	—	—	—	904,780	1,896,572
Undesignated	4,713,946	2,047,837	589,640	817,144	3,812,251	2,033,080	—	1,714,203	258,407	419,312	6,199,109	17,345	162,050	(112,018)	22,672,306	22,174,280
Total fund balances (deficit)	4,717,184	2,072,540	1,126,362	819,706	3,877,427	2,035,483	130,022	1,718,874	259,277	721,931	10,780,271	17,345	162,050	(112,018)	28,326,454	24,960,529
Total liabilities and fund balances	\$ 5,049,844	2,483,645	5,450,185	881,402	4,174,272	2,098,369	2,191,775	2,100,802	259,277	1,752,795	11,419,510	136,001	248,898	—	38,246,775	34,186,707

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)

December 31, 2001

(with comparative totals for year ended December 31, 2000)

	Road and Bridge Fund	Courthouse Maintenance Fund	Detention Facilities Fund	Parks and Recreation Fund	Solid Waste Disposal Fund	Drainage Fund	Juvenile Court Fund	Health Unit Fund	Law Officers Whites Fund	Biomedical Fund	Shrine Memorial Library Fund	Section 8 Housing Fund	Federal Grants Fund	Jewelle Accountability Block Grant Fund	Riverport Fund	Criminal Justice Fund	Totals	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Revenues:																		
Ad valorem taxes	4,384,951	2,509,628	5,406,427	791,810	315,498	1,176,712	1,817,302	2,117,819	—	1,623,686	8,338,584	—	—	—	—	—	28,482,417	27,671,488
Sales tax	—	—	—	—	2,218,359	—	—	—	—	—	—	—	—	—	—	—	2,218,359	1,665,966
Intergovernmental revenues:																		
Federal grants	50,138	—	44,405	—	—	158,300	—	—	—	1,623,686	8,338,584	—	—	—	—	—	90,700,776	29,337,454
State funds:																		
State revenue sharing	203,733	119,813	263,535	37,502	14,718	54,613	86,437	101,169	—	77,922	410,241	—	—	—	—	—	1,369,583	1,379,179
Electronic monitoring	—	—	—	—	—	—	60,000	—	—	—	—	—	—	—	—	—	60,000	60,000
State prisoners grant	—	—	134,191	—	—	—	—	—	—	—	—	—	—	—	—	—	134,191	129,354
Other state funds	87,334	—	—	—	—	—	50,263	—	—	—	60,629	—	—	—	—	—	198,226	190,184
	341,205	119,813	442,131	37,502	14,718	212,913	196,700	101,169	—	77,922	482,879	388,871	9,224,405	288,520	—	—	11,928,739	10,394,584
Fees, charges, and commissions for services	—	—	—	—	—	—	—	47,795	25,250	—	—	—	—	—	—	—	73,045	67,607
Fines and forfeitures	—	—	—	—	—	—	114,817	—	—	—	68,491	—	—	—	—	—	184,308	170,299
Use of money and property:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,480,919	—	2,480,919	2,566,023
Rental, camping fees, and other	—	45,000	—	11,108	—	—	—	145,000	—	—	—	—	—	—	—	—	201,108	154,621
Net increase (decrease) in	10,412	46	—	361	18,508	7,048	1,443	36	1,327	1,024	—	—	—	—	19,718	—	59,923	41,715
fair value of investments	106,623	34,078	1,300	19,409	155,894	66,583	8,808	27,703	14,324	36,647	243,840	2,382	—	—	21,844	—	739,395	722,727
Interest	117,035	79,084	1,300	30,878	174,402	73,631	10,251	172,798	15,651	37,671	243,840	2,382	—	—	41,562	—	1,000,426	919,063
Other revenues	74,698	3,077	160	11,551	26,630	1,488	19,633	62,545	—	—	136,723	—	—	—	—	—	336,505	490,715
Total revenues	4,912,889	2,711,602	5,850,018	871,741	2,749,697	1,464,744	2,158,703	2,502,067	40,901	1,739,279	9,221,508	391,253	9,224,405	288,520	2,522,481	—	46,704,718	43,945,745
Expenditures:																		
Current:																		
General government:																		
Judicial	—	2,419,002	—	—	—	399,529	2,317,853	—	—	—	—	—	—	223,426	343,473	112,018	2,541,279	2,283,803
Other	—	2,419,002	—	—	—	399,529	2,317,853	—	—	—	—	—	—	223,426	343,473	112,018	3,274,022	3,569,439
Public safety:																		
Health and welfare	—	—	6,547,365	—	—	—	—	—	82,693	—	—	—	—	—	—	—	5,815,301	5,853,242
Highways and streets	4,176,499	—	—	—	—	—	—	2,077,577	—	—	—	390,320	9,224,405	—	—	—	6,630,058	6,254,519
Sanitation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	11,692,302	9,676,832
Culture and recreation	—	—	—	—	1,648,856	—	—	—	—	—	—	—	—	—	—	—	4,176,409	4,279,002
Economic development	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,648,856	1,546,294
Debt service:																		
Principal retirement	—	—	—	—	—	—	—	—	—	2,420,192	—	—	—	—	—	—	2,420,192	1,206,205
Interest	—	—	—	—	—	—	—	—	—	—	70,303	—	—	—	300,000	—	300,000	290,000
	—	—	—	—	—	—	—	—	—	—	70,303	—	—	—	143,695	—	273,698	147,763
Total expenditures	4,176,499	2,419,002	6,547,365	691,908	1,648,856	399,529	2,317,853	2,077,577	82,693	2,420,192	7,283,114	390,320	9,224,405	223,426	782,168	112,018	40,801,835	38,327,254
Excess (deficiency) of revenues over (under) expenditures	741,480	292,600	(697,347)	179,833	1,100,751	1,065,215	(159,150)	424,490	(41,792)	(680,913)	1,938,394	933	—	65,094	1,735,313	(112,018)	5,902,883	5,618,491
Other financing sources (uses):																		
Operating transfers in	—	—	520,000	25,000	625	3,221	260,000	—	—	—	297,610	—	—	—	154,570	—	1,261,026	160,463
Operating transfers out	—	—	—	(165,500)	(94,000)	(803,000)	(24,906)	(147,990)	—	—	—	—	—	(65,094)	(2,492,504)	—	(3,797,994)	(5,027,291)
	—	—	520,000	(140,500)	(93,375)	(804,779)	235,094	(147,990)	—	—	297,610	—	—	(65,094)	(2,337,934)	—	(2,536,958)	(4,866,828)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	741,480	292,600	(177,347)	39,333	1,007,376	260,436	75,944	276,510	(41,792)	(680,913)	2,236,004	933	—	—	(602,621)	(112,018)	3,365,925	751,663
Fund balances at beginning of year	3,973,704	1,779,940	1,903,799	780,373	2,870,051	1,775,047	54,078	1,442,364	301,069	1,492,844	8,494,267	16,412	—	—	764,671	—	24,940,529	24,298,466
Fund balances (deficit) at end of year	4,717,184	2,072,540	1,126,452	819,706	3,873,427	2,035,483	130,022	1,718,874	259,277	721,931	10,790,271	17,345	—	—	162,050	(112,018)	28,306,454	24,969,529

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Road and Bridge Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 4,384,951	4,251,400	133,551	4,270,200
Intergovernmental:				
Federal grants	50,138	—	50,138	—
State revenue sharing	203,733	205,000	(1,267)	205,236
Other state funds	87,334	38,000	49,334	74,532
	341,205	243,000	98,205	279,768
Use of money and property:				
Net increase (decrease) in fair value of investments	10,412	—	10,412	1,521
Interest	106,623	60,000	46,623	88,038
Other revenues	74,698	25,000	49,698	64,945
Total revenues	4,917,889	4,579,400	338,489	4,704,472
Expenditures – highways and streets:				
Administrative:				
Salaries, fringe benefits, and payroll taxes	518,366	551,455	33,089	493,037
Supplies	12,367	17,050	4,683	15,377
Utilities	5,761	8,350	2,589	6,459
Insurance	90,529	88,190	(2,339)	84,592
Interest	931	2,800	1,869	193
Miscellaneous	170,516	178,944	8,428	168,392
Total administrative expenditures	798,470	846,789	48,319	768,050

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Special Revenue Fund
 Road and Bridge Fund

Statement of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
 (with comparative actual amounts for year ended December 31, 2000)

	<u>2001</u>			<u>2000</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance – Favorable (Unfavorable)</u>	<u>Actual</u>
Road maintenance:				
Salaries, fringe benefits, and payroll taxes	\$ 1,991,608	1,982,434	(9,174)	1,918,557
Supplies	10,938	9,000	(1,938)	11,726
Utilities	36,432	51,200	14,768	43,997
Road and bridge materials	399,871	579,287	179,416	461,509
Right of way maintenance	370,000	365,000	(5,000)	404,000
Road striping	3,645	40,000	36,355	36,458
Repairs	521,796	586,000	64,204	588,220
Miscellaneous	43,649	56,900	13,251	46,485
Total road maintenance expenditures	<u>3,377,939</u>	<u>3,669,821</u>	<u>291,882</u>	<u>3,510,952</u>
Total expenditures	<u>4,176,409</u>	<u>4,516,610</u>	<u>340,201</u>	<u>4,279,002</u>
Excess of revenues over expenditures	741,480	62,790	678,690	425,470
Fund balance at beginning of year	<u>3,975,704</u>	<u>3,975,704</u>	<u>—</u>	<u>3,550,234</u>
Fund balance at end of year	<u>\$ 4,717,184</u>	<u>4,038,494</u>	<u>678,690</u>	<u>3,975,704</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Courthouse Maintenance Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	<u>2001</u>			<u>2000</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance – Favorable (Unfavorable)</u>	<u>Actual</u>
Revenues:				
Ad valorem taxes	\$ 2,509,628	2,429,950	79,678	2,444,851
Intergovernmental – state revenue sharing	119,813	120,850	(1,037)	120,284
Use of money and property:				
Rental, camping fees, and other	45,000	45,000	—	—
Net increase (decrease) in fair value of investments	46	—	46	479
Interest	34,038	17,500	16,538	22,244
Other revenues	3,077	5,000	(1,923)	1,067
Total revenues	<u>2,711,602</u>	<u>2,618,300</u>	<u>93,302</u>	<u>2,588,925</u>
Expenditures:				
General government:				
Salaries, fringe benefits, and payroll taxes	1,274,255	1,367,468	93,213	1,235,778
Supplies	4,523	7,300	2,777	4,834
Utilities	495,830	448,000	(47,830)	423,524
Repairs and maintenance	145,951	172,500	26,549	169,437
Maintenance contract	58,990	59,000	10	43,208
Insurance	112,823	112,823	—	108,944
Interest	1,426	4,220	2,794	1,490
Miscellaneous	113,032	138,377	25,345	102,265
Capital outlay	17,729	18,065	336	16,641
Total building and grounds expenditures	<u>2,224,559</u>	<u>2,327,753</u>	<u>103,194</u>	<u>2,106,121</u>

CADDO PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Courthouse Maintenance Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Commission Building:				
Utilities	\$ 122,163	117,000	(5,163)	77,657
Repairs and maintenance	39,152	45,000	5,848	31,838
Miscellaneous	33,128	64,053	30,925	50,612
Total Commission Building expenditures	194,443	226,053	31,610	160,107
Total expenditures	2,419,002	2,553,806	134,804	2,266,228
Excess of revenues over expenditures	292,600	64,494	228,106	322,697
Other financing sources – operating transfers in – capital outlay	—	—	—	2,180
Excess of revenues and other financing sources over expenditures	292,600	64,494	228,106	324,877
Fund balance at beginning of year	1,779,940	1,779,940	—	1,455,063
Fund balance at end of year	\$ 2,072,540	1,844,434	228,106	1,779,940

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Detention Facilities Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 5,406,427	5,357,340	49,087	5,428,802
Intergovernmental:				
Federal grant	44,405	34,000	10,405	40,293
State revenue sharing	263,535	266,300	(2,765)	265,878
State prisoner's grant	134,191	118,000	16,191	129,354
	<u>442,131</u>	<u>418,300</u>	<u>23,831</u>	<u>435,525</u>
Use of money and property:				
Net increase (decrease) in fair value of investments	—	—	—	1,536
Interest	1,300	6,750	(5,450)	—
Other revenues	160	—	160	—
	<u>5,850,018</u>	<u>5,782,390</u>	<u>67,628</u>	<u>5,865,863</u>
Total revenues				
Expenditures:				
Public safety:				
Salaries, fringe benefits, and payroll taxes	586,008	610,318	24,310	562,627
Supplies	91,584	114,300	22,716	104,451
Utilities	697,315	635,500	(61,815)	622,036
Repairs and maintenance	184,558	189,600	5,042	151,731
Insurance	105,330	103,748	(1,582)	95,314
Interest	29,424	39,000	9,576	31,201
Miscellaneous	324,943	330,122	5,179	304,227
Contracted services – prison operations	<u>2,866,701</u>	<u>2,723,000</u>	<u>(143,701)</u>	<u>2,804,721</u>
	<u>4,885,863</u>	<u>4,745,588</u>	<u>(140,275)</u>	<u>4,676,308</u>
Total public safety				

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Detention Facilities Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Juvenile Detention Center:				
Salaries, fringe benefits, and payroll taxes	\$ 1,146,130	1,161,421	15,291	1,038,548
Supplies	4,386	3,700	(686)	3,995
Repairs and maintenance	190,756	189,000	(1,756)	190,718
Insurance	22,294	22,294	—	20,869
Interest	—	16,250	16,250	—
Miscellaneous	213,869	182,382	(31,487)	203,407
Contracted services – prison operations	32,031	72,000	39,969	32,950
Capital outlay	9,922	13,500	3,578	11,637
Total juvenile detention	1,619,388	1,660,547	41,159	1,502,124
STAR Boot Camp	42,114	54,063	11,949	65,218
Total expenditures	6,547,365	6,460,198	(87,167)	6,243,650
Excess (deficiency) of revenues over (under) expenditures	(697,347)	(677,808)	(19,539)	(377,787)
Other financing sources – operating transfer in	520,000	520,000	—	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(177,347)	(157,808)	(19,539)	(377,787)
Fund balance at beginning of year	1,303,709	1,303,709	—	1,681,496
Fund balance at end of year	\$ 1,126,362	1,145,901	(19,539)	1,303,709

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Parks and Recreation Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 791,810	763,510	28,300	769,434
Intergovernmental – state revenue sharing	37,502	38,000	(498)	37,887
Use of money and property:				
Net increase (decrease) in fair value of investments	361	—	361	448
Rental, camping fees, and other	11,108	9,000	2,108	9,621
Interest	19,409	8,200	11,209	13,566
Other revenues	11,551	6,500	5,051	192,075
Total revenues	871,741	825,210	46,531	1,023,031
Expenditures:				
Culture and recreation:				
Salaries, fringe benefits, and payroll taxes	529,331	581,542	52,211	473,018
Supplies	5,614	10,000	4,386	4,146
Utilities	22,386	28,063	5,677	24,797
Repairs and maintenance	40,501	47,500	6,999	39,165
Insurance	27,278	27,278	—	23,834
Interest on loans	18	—	(18)	6
Miscellaneous	66,030	77,156	11,126	56,099
Capital outlay	750	1,000	250	—
Total expenditures	691,908	772,539	80,631	621,065
Excess of revenues over expenditures	179,833	52,671	127,162	401,966
Other financing sources (uses):				
Operating transfers in	25,000	25,000	—	—
Operating transfers out	(165,500)	(165,500)	—	(77,500)
	(140,500)	(140,500)	—	(77,500)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	39,333	(87,829)	127,162	324,466
Fund balance at beginning of year	780,373	780,373	—	455,907
Fund balance at end of year	\$ 819,706	692,544	127,162	780,373

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Solid Waste Disposal Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 315,498	303,710	11,788	307,390
Sales tax	2,218,359	1,430,000	788,359	1,665,966
	<u>2,533,857</u>	<u>1,733,710</u>	<u>800,147</u>	<u>1,973,356</u>
Intergovernmental – state revenue sharing	14,718	14,500	218	14,827
Use of money and property: Net increase (decrease) in fair value of investments	18,508	—	18,508	26,190
Interest	155,894	93,000	62,894	147,214
Other revenues	<u>26,630</u>	<u>26,000</u>	<u>630</u>	<u>43,395</u>
Total revenues	<u>2,749,607</u>	<u>1,867,210</u>	<u>882,397</u>	<u>2,204,982</u>
Expenditures – sanitation:				
Salaries, fringe benefits, and payroll taxes	827,963	818,771	(9,192)	776,790
Utilities	26,266	29,225	2,959	26,079
Repairs and maintenance	72,783	141,110	68,327	80,745
Insurance	46,388	46,388	—	44,624
Contracted services – waste hauling	144,335	185,000	40,665	130,145
Waste disposal fees	327,076	335,000	7,924	325,570
Miscellaneous	198,513	212,555	14,042	156,580
Capital outlay	<u>5,532</u>	<u>8,532</u>	<u>3,000</u>	<u>5,761</u>
Total expenditures	<u>1,648,856</u>	<u>1,776,581</u>	<u>127,725</u>	<u>1,546,294</u>
Excess of revenues over expenditures	1,100,751	90,629	1,010,122	658,688
Other financing sources (uses):				
Operating transfers out	(94,000)	(94,000)	—	(4,843)
Operating transfers in	<u>625</u>	<u>625</u>	<u>—</u>	<u>—</u>
	<u>(93,375)</u>	<u>(93,375)</u>	<u>—</u>	<u>(4,843)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,007,376	(2,746)	1,010,122	653,845
Fund balance at beginning of year	<u>2,870,051</u>	<u>2,870,051</u>	<u>—</u>	<u>2,216,206</u>
Fund balance at end of year	<u>\$ 3,877,427</u>	<u>2,867,305</u>	<u>1,010,122</u>	<u>2,870,051</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Drainage Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 1,176,712	1,132,960	43,752	1,145,452
Intergovernmental:				
Federal grants	158,300	159,384	(1,084)	753,221
State revenue sharing	54,613	55,000	(387)	55,016
Use of money and property:				
Net increase (decrease) in fair value of investments	7,048	—	7,048	4,814
Interest	66,583	26,500	40,083	50,019
Other revenues	1,488	400	1,088	788
Total revenues	<u>1,464,744</u>	<u>1,374,244</u>	<u>90,500</u>	<u>2,009,310</u>
Expenditures – general				
government – other:				
Salaries, fringe benefits, and payroll taxes	33,515	33,980	465	32,188
Insurance	26,935	26,072	(863)	24,366
Right of ways maintenance	56,567	80,000	23,433	24,850
Interest	5	—	(5)	277
Rentals	4,300	60,000	55,700	12,800
Miscellaneous	119,907	123,485	3,578	107,501
Capital outlay	158,300	169,384	11,084	746,534
Total expenditures	<u>399,529</u>	<u>492,921</u>	<u>93,392</u>	<u>948,516</u>
Excess of revenues over expenditures	1,065,215	881,323	183,892	1,060,794
Other financing sources (uses):				
Operating transfers out	(808,000)	(808,000)	—	(711,820)
Operating transfers in	3,221	3,221	—	—
	<u>(804,779)</u>	<u>(804,779)</u>	<u>—</u>	<u>(711,820)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	260,436	76,544	183,892	348,974
Fund balance at beginning of year	<u>1,775,047</u>	<u>1,775,047</u>	<u>—</u>	<u>1,426,073</u>
Fund balance at end of year	<u>\$ 2,035,483</u>	<u>1,851,591</u>	<u>183,892</u>	<u>1,775,047</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Special Revenue Fund
 Juvenile Court Fund

Statement of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
 (with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 1,817,302	1,756,830	60,472	1,767,741
Intergovernmental:				
Other state funds	50,263	45,000	5,263	55,284
State revenue sharing	86,437	87,300	(863)	87,085
Electronic monitoring	60,000	60,000	—	60,000
	196,700	192,300	4,400	202,369
Court costs and fees	114,817	100,000	14,817	98,040
Use of money and property:				
Net increase (decrease) in fair value of investments	1,443	—	1,443	2,239
Interest	8,808	300	8,508	11,470
Other revenues	19,633	1,700	17,933	8,401
Total revenues	2,158,703	2,051,130	107,573	2,090,260
Expenditures – general government – judicial:				
Court operations:				
Salaries, fringe benefits, and payroll taxes	1,922,856	1,938,488	15,632	1,773,116
Supplies	27,763	23,500	(4,263)	28,566
Utilities	17,879	22,000	4,121	23,133
Repairs	65,239	59,000	(6,239)	50,081
Insurance	46,415	46,415	—	45,573
Interest	21,752	33,750	11,998	30,899
Reimbursement from court	(200,000)	(190,000)	10,000	(190,000)
Miscellaneous	197,854	169,920	(27,934)	164,434
Capital outlay	3,307	6,500	3,193	2,367
Total court operations expenditures	2,103,065	2,109,573	6,508	1,928,169

CADDO PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Juvenile Court Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Building maintenance:				
Salaries, fringe benefits, and payroll taxes	\$ 141,279	141,702	423	131,447
Utilities	160,517	127,550	(32,967)	139,047
Repairs	66,574	50,825	(15,749)	50,017
Miscellaneous	30,418	32,845	2,427	29,657
Reimbursement from Detention Facilities	(184,000)	(184,000)	—	(183,000)
Capital outlay	—	—	—	403
Total building maintenance expenditures	214,788	168,922	(45,866)	167,571
Total expenditures	2,317,853	2,278,495	(39,358)	2,095,740
Excess (deficiency) of revenues over (under) expenditures	(159,150)	(227,365)	68,215	(5,480)
Other financing sources (uses):				
Operating transfers in	260,000	260,000	—	—
Operating transfers out	(24,906)	(90,000)	(65,094)	—
	235,094	170,000	(65,094)	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	75,944	(57,365)	133,309	(5,480)
Fund balance at beginning of year	54,078	54,078	—	59,558
Fund balance at end of year	\$ 130,022	(3,287)	133,309	54,078

See accompanying notes to financial statements.

CADD0 PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Health Unit Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	
Revenues:				
Ad valorem taxes	\$ 2,117,819	2,060,625	57,194	2,072,951
Intergovernmental – state revenue sharing	101,169	102,600	(1,431)	102,285
Vaccination, impounding, boarding, licensing, and permit fees	47,795	40,500	7,295	39,645
Use of money and property:				
Net increase (decrease) in fair value of investments	36	—	36	109
Regional lab rental	145,000	145,000	—	145,000
Interest	27,703	14,865	12,838	14,758
	172,739	159,865	12,874	159,867
Other revenues	62,545	25,900	36,645	54,311
Total revenues	2,502,067	2,389,490	112,577	2,429,059
Expenditures – health and welfare:				
Women's Center – land purchase	—	—	—	9,726
Kings Highway health unit:				
Salaries, fringe benefits, and payroll taxes	32,910	38,153	5,243	24,354
Utilities	68,483	69,500	1,017	45,952
Repairs	13,896	19,100	5,204	15,502
Miscellaneous	7,738	12,516	4,778	7,424
Insurance	463	463	—	115
Capital outlay	1,679	3,000	1,321	2,191
Total Kings Highway health unit expenditures	125,169	142,732	17,563	95,538
Animal and mosquito control:				
Salaries, fringe benefits, and payroll taxes	901,729	956,135	54,406	867,063
Insurance	32,621	32,621	—	30,175
Interest	521	2,150	1,629	2,115
Supplies	26,732	28,150	1,418	28,976
Utilities	39,791	45,650	5,859	39,018
Animal care	136,402	162,450	26,048	115,074
Repairs	110,359	121,335	10,976	111,059
Miscellaneous	119,429	140,500	21,071	93,081
Capital outlay	8,391	10,850	2,459	12,513
Total animal and mosquito control expenditures	1,375,975	1,499,841	123,866	1,299,074

CADD0 PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Health Unit Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Highland health unit:				
Salaries, fringe benefits, and payroll taxes	\$ 249,089	297,429	48,340	275,279
Repairs	41,794	48,600	6,806	33,041
Election	—	50,000	50,000	—
Utilities	96,248	105,200	8,952	100,204
Insurance	23,981	23,981	—	22,755
Miscellaneous	82,778	86,106	3,328	81,629
Capital outlay	2,425	3,750	1,325	3,494
Total Highland health unit expenditures	496,315	615,066	118,751	516,402
Vivian health unit:				
Salaries, fringe benefits, and payroll taxes	24,530	25,679	1,149	23,833
Insurance	258	258	—	250
Repairs	2,597	6,000	3,403	2,447
Utilities	11,296	14,550	3,254	11,140
Miscellaneous	2,447	4,878	2,431	3,606
Capital outlay	2,990	2,500	(490)	—
Total Vivian health unit expenditures	44,118	53,865	9,747	41,276
David Raines health center – repairs	36,000	36,000	—	35,000
Total expenditures	2,077,577	2,347,504	269,927	1,997,016
Excess of revenues over expenditures	424,490	41,986	382,504	432,043
Other financing uses – operating transfers out	(147,980)	(147,980)	—	(316,815)
Excess (deficiency) of revenues over (under) expenditures and other financing uses	276,510	(105,994)	382,504	115,228
Fund balance at beginning of year	1,442,364	1,442,364	—	1,327,136
Fund balance at end of year	\$ 1,718,874	1,336,370	382,504	1,442,364

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Law Officers Witness Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	<u>2001</u>			<u>2000</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance – Favorable (Unfavorable)</u>	<u>Actual</u>
Revenues:				
Criminal case charge	\$ 25,250	27,000	(1,750)	27,962
Use of money and property:				
Net increase in fair value of investments	1,327	—	1,327	3,011
Interest	14,324	15,000	(676)	16,469
Total revenues	<u>40,901</u>	<u>42,000</u>	<u>(1,099)</u>	<u>47,442</u>
Expenditures:				
Public safety:				
Payments to law officers	8,300	19,450	11,150	9,125
Miscellaneous	74,393	74,390	(3)	1,744
Total expenditures	<u>82,693</u>	<u>93,840</u>	<u>11,147</u>	<u>10,869</u>
Excess (deficiency) of revenues over (under) expenditures	(41,792)	(51,840)	10,048	36,573
Fund balance at beginning of year	<u>301,069</u>	<u>301,069</u>	<u>—</u>	<u>264,496</u>
Fund balance at end of year	<u>\$ 259,277</u>	<u>249,229</u>	<u>10,048</u>	<u>301,069</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Special Revenue Fund
 Biomedical Fund

Statement of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
 (with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 1,623,686	1,576,160	47,526	1,582,674
Intergovernmental revenues – state revenue sharing	77,922	77,900	22	77,885
Use of money and property:				
Net increase (decrease) in fair value of investments	1,024	—	1,024	339
Interest	36,647	2,000	34,647	23,396
Total revenues	<u>1,739,279</u>	<u>1,656,060</u>	<u>83,219</u>	<u>1,684,294</u>
Expenditures – economic development:				
Salaries, fringe benefits, and payroll taxes	46,351	47,270	919	44,784
Interest	1,375	7,200	5,825	—
Reimburse Biomedical Research Foundation operating expenses	2,362,978	2,578,954	215,976	1,152,139
Miscellaneous	9,488	9,475	(13)	9,282
Total expenditures	<u>2,420,192</u>	<u>2,642,899</u>	<u>222,707</u>	<u>1,206,205</u>
Excess (deficiency) of revenues over (under) expenditures	(680,913)	(986,839)	305,926	478,089
Fund balance at beginning of year	<u>1,402,844</u>	<u>1,402,844</u>	—	<u>924,755</u>
Fund balance at end of year	<u>\$ 721,931</u>	<u>416,005</u>	<u>305,926</u>	<u>1,402,844</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Revenue Fund
Shreve Memorial Library Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 8,338,584	8,305,770	32,814	7,881,993
Intergovernmental revenues:				
Federal grants	12,000	—	12,000	—
State grants	60,629	59,596	1,033	59,405
State revenue sharing	410,241	414,637	(4,396)	412,796
	482,870	474,233	8,637	472,201
Library fines	69,491	60,000	9,491	72,259
Use of money and property – interest	243,840	425,000	(181,160)	255,015
Other revenues	136,723	119,000	17,723	104,933
Total revenues	9,271,508	9,384,003	(112,495)	8,786,401
Expenditures – culture and recreation:				
Salaries, fringe benefits, and payroll taxes	3,775,964	3,654,574	(121,390)	3,621,382
Supplies	201,038	197,500	(3,538)	168,017
Utilities	447,133	358,640	(88,493)	324,930
Repairs and maintenance	307,826	324,200	16,374	305,104
Insurance	76,272	94,500	18,228	90,541
Books and library materials	838,521	907,070	68,549	670,001
Miscellaneous	392,430	388,349	(4,081)	257,919
Capital expenditures	1,173,627	5,477,597	4,303,970	3,014,438
Total culture and recreation	7,212,811	11,402,430	4,189,619	8,452,332
Debt service – interest	70,303	70,000	(303)	—
Total expenditures	7,283,114	11,472,430	4,189,316	8,452,332
Excess (deficiency) of revenues over (under) expenditures	1,988,394	(2,088,427)	4,076,821	334,069
Other financing sources – operating transfers in	297,610	—	297,610	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures	2,286,004	(2,088,427)	4,374,431	334,069
Fund balance at beginning of year	8,494,267	8,494,267	—	8,160,198
Fund balance at end of year	\$ 10,780,271	6,405,840	4,374,431	8,494,267

See accompanying notes to financial statements.

CADD0 PARISH COMMISSION

Shreveport, Louisiana

Special Revenue Fund

Riverboat Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001

(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Gaming	\$ 2,480,919	2,525,000	(44,081)	2,566,023
Use of money and property:				
Net increase (decrease) in fair value of investments	19,718	—	19,718	1,029
Interest	21,844	6,150	15,694	75,498
Total revenues	<u>2,522,481</u>	<u>2,531,150</u>	<u>(8,669)</u>	<u>2,642,550</u>
Expenditures:				
General government:				
Administration	125,873	140,545	14,672	47,761
Other	217,600	252,500	34,900	306,934
Debt service – principal and interest	<u>443,695</u>	<u>445,045</u>	<u>1,350</u>	<u>437,763</u>
Total expenditures	<u>787,168</u>	<u>838,090</u>	<u>50,922</u>	<u>792,458</u>
Excess of revenues over expenditures	1,735,313	1,693,060	42,253	1,850,092
Other financing sources (uses):				
Operating transfer in	154,570	154,570	—	157,740
Operating transfer out	<u>(2,492,504)</u>	<u>(2,492,500)</u>	<u>(4)</u>	<u>(3,916,300)</u>
	<u>(2,337,934)</u>	<u>(2,337,930)</u>	<u>(4)</u>	<u>(3,758,560)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(602,621)	(644,870)	42,249	(1,908,468)
Fund balance at beginning of year	<u>764,671</u>	<u>764,671</u>	<u>—</u>	<u>2,673,139</u>
Fund balance at end of year	<u>\$ 162,050</u>	<u>119,801</u>	<u>42,249</u>	<u>764,671</u>

See accompanying notes to financial statements.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund is funded by the proceeds of a dedicated ad valorem tax.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Debt Service Fund
 Comparative Balance Sheet
 December 31, 2001 and 2000

Assets	2001	2000
Cash and cash equivalents	\$ 323,696	621,707
Investments	826,214	962,004
Ad valorem taxes receivable	1,468,677	1,521,677
Accrued interest	8,927	15,522
Total assets	\$ <u>2,627,514</u>	<u>3,120,910</u>
Liabilities and Fund Balance		
Liabilities – deferred revenue	\$ 33,699	72,190
Fund balance – reserved for debt service	2,593,815	3,048,720
Total liabilities and fund balance	\$ <u>2,627,514</u>	<u>3,120,910</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Debt Service Fund

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual

Year ended December 31, 2001
(with comparative actual amounts for year ended December 31, 2000)

	2001			2000
	Actual	Budget	Variance – Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes	\$ 1,639,001	1,621,320	17,681	1,726,569
Use of money and property:				
Net increase (decrease) in the fair value of investments	3,236	—	3,236	13,975
Interest	58,310	131,500	(73,190)	92,382
Total revenues	<u>1,700,547</u>	<u>1,752,820</u>	<u>(52,273)</u>	<u>1,832,926</u>
Expenditures – debt service:				
Principal retirement	1,325,000	1,325,000	—	1,250,000
Interest	748,883	749,084	201	812,930
Fees and charges	48,920	50,750	1,830	47,493
Administration	32,649	32,600	(49)	34,626
Total expenditures	<u>2,155,452</u>	<u>2,157,434</u>	<u>1,982</u>	<u>2,145,049</u>
Excess of expenditures over revenues	(454,905)	(404,614)	(50,291)	(312,123)
Fund balance at beginning of year	<u>3,048,720</u>	<u>3,048,720</u>	<u>—</u>	<u>3,360,843</u>
Fund balance at end of year	<u>\$ 2,593,815</u>	<u>2,644,106</u>	<u>(50,291)</u>	<u>3,048,720</u>

See accompanying notes to financial statements.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Commission has four capital projects funds:

Road Construction Fund – The Road Construction Fund accounts for the proceeds of a sales tax approved by the voters in 1989. The tax was dedicated to capital improvement of roads and bridges. The fund also accounts for the proceeds of a portion of the gasoline tax levied by the State of Louisiana. These funds are dedicated to road and bridge improvement by the State.

Criminal Justice Facilities Fund – The Criminal Justice Facilities Fund accounts for the proceeds of a bond issue approved by the voters in 1988. Additional construction funding was also provided by the State of Louisiana. The issue was dedicated to the construction and renovation of jail facilities.

Capital Outlay Fund – The Capital Outlay Fund was established to account for capital expenditures and capital projects still in progress. Monies for the Capital Outlay Fund are provided through operating transfers from various funds of the Commission.

Library Bond Fund – The Library Bond Fund accounts for the proceeds of certificates of indebtedness issued in 2001. The certificates are dedicated to acquiring, equipping, constructing and improving the public library system.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Capital Projects Funds

Combining Balance Sheet

December 31, 2001
(with comparative totals for December 31, 2000)

	Assets	Road Construction Fund	Criminal Justice Facilities Fund	Capital Outlay Fund	Library Bond Fund	Totals	
						2001	2000
Cash and cash equivalents		\$ 221,639	309,439	379,979	1,350,016	2,261,073	903,819
Investments		5,046,242	1,316,011	8,651,279	5,757,241	20,770,773	13,291,478
Accounts receivable:							
Paving assessments:							
Current		259,854	—	—	—	259,854	269,193
Delinquent		206,519	—	—	—	206,519	172,691
Deferred		231,498	—	—	—	231,498	326,314
Allowance for uncollectible accounts		(72,152)	—	—	—	(72,152)	(72,152)
		625,719	—	—	—	625,719	696,046
Accrued interest		54,521	14,219	93,471	62,203	224,414	215,995
Accounts receivable – other		493,923	—	—	—	493,923	272,518
Due from other funds		1,528,787	—	4,156,375	—	5,685,162	5,716,944
Due from other governmental agencies		—	—	160,940	—	160,940	—
Total assets		\$ 7,970,831	1,639,669	13,442,044	7,169,460	30,222,004	21,096,800
Liabilities and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities		\$ 418,127	—	767,651	—	1,185,778	544,193
Retainages payable		—	—	247,919	—	247,919	8,028
Due to other funds		—	—	—	297,610	297,610	—
Deferred revenue		231,498	—	—	—	231,498	326,315
Total liabilities		649,625	—	1,015,570	297,610	1,962,805	878,536
Fund balances:							
Reserved for encumbrances		21,159	—	1,123,283	—	1,144,442	1,033,189
Unreserved – designated for subsequent years expenditures		7,300,047	1,639,669	11,303,191	6,871,850	27,114,757	19,185,075
Total fund balance		7,321,206	1,639,669	12,426,474	6,871,850	28,259,199	20,218,264
Total liabilities and fund balances		\$ 7,970,831	1,639,669	13,442,044	7,169,460	30,222,004	21,096,800

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Capital Projects Funds

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Year ended December 31, 2001
(with comparative totals for year ended December 31, 2000)

	Criminal				Totals	
	Road Construction Fund	Justice Facilities Fund	Capital Outlay Fund	Library Bond Fund	2001	2000
Revenues:						
Special assessments	\$ 94,817	—	—	—	94,817	121,092
Sales tax	4,478,113	—	—	—	4,478,113	3,336,938
Intergovernmental	1,284,420	—	136,635	—	1,421,055	1,441,706
Interest	313,012	78,490	619,542	166,074	1,177,118	1,280,504
Private donations	—	—	350,000	—	350,000	—
Other revenues	—	—	60,000	—	60,000	—
Net increase (decrease) in the fair value of investments	41,304	10,325	113,810	41,483	206,922	194,469
Total revenues	<u>6,211,666</u>	<u>88,815</u>	<u>1,279,987</u>	<u>207,557</u>	<u>7,788,025</u>	<u>6,374,709</u>
Expenditures:						
Current – general government	—	—	—	38,097	38,097	—
Capital outlay – project and capital expenditures and engineering fees	225,728	—	7,434,239	—	7,659,967	9,189,867
Total expenditures	<u>225,728</u>	<u>—</u>	<u>7,434,239</u>	<u>38,097</u>	<u>7,698,064</u>	<u>9,189,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,985,938</u>	<u>88,815</u>	<u>(6,154,252)</u>	<u>169,460</u>	<u>89,961</u>	<u>(2,815,158)</u>
Other financing sources (uses):						
Operating transfers in	—	—	6,286,780	—	6,286,780	5,097,171
Operating transfers out	(4,964,571)	(39,055)	(34,570)	(297,610)	(5,335,806)	(3,448,293)
Proceeds from certificate of indebtedness	<u>(4,964,571)</u>	<u>(39,055)</u>	<u>6,252,210</u>	<u>7,000,000</u>	<u>7,000,000</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>1,021,367</u>	<u>49,760</u>	<u>97,958</u>	<u>6,702,390</u>	<u>7,950,974</u>	<u>1,648,878</u>
Fund balances at beginning of year	6,299,839	1,589,909	12,328,516	6,871,850	20,218,264	21,384,544
Fund balances at end of year	<u>\$ 7,321,206</u>	<u>1,639,669</u>	<u>12,426,474</u>	<u>6,871,850</u>	<u>28,259,199</u>	<u>20,218,264</u>

See accompanying notes to financial statements.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of services provided by one fund of the Commission to other funds on a cost-reimbursement basis. The Commission has three internal service funds:

Group Insurance Fund -- The Group Insurance Fund accounts for the cost of providing group medical and life insurance coverage for Commission employees. The fund is used to account for contributions from Commission funds and withholdings from employees' payroll used to pay the costs of providing group coverage for Commission employees.

General Insurance Fund -- The General Insurance Fund accounts for the costs of maintaining casualty and workmen's compensation insurance coverage.

Fleet Services Fund -- The Fleet Services Fund accounts for the repairs and maintenance activities provided by the Commission's central garage location for the various departments of the Commission.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Proprietary Funds – Internal Service Funds

Combining Balance Sheet

December 31, 2001

(with comparative totals for December 31, 2000)

Assets	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Totals	
				2001	2000
Cash and cash equivalents	\$ 190,464	80,339	—	270,803	364,557
Investments	2,147,032	396,383	—	2,543,415	2,522,149
Receivables	6,967	—	16,613	23,580	68,251
Accrued interest receivable	22,819	4,283	—	27,102	40,876
Due from other funds – Fleet Services	312,416	121,134	—	433,550	498,944
Inventory	—	—	80,073	80,073	94,455
Total current assets	2,679,698	602,139	96,686	3,378,523	3,589,232
Fixed assets:					
Land	—	—	163,475	163,475	163,475
Sewer line	—	—	107,541	107,541	107,541
Buildings	—	—	14,579	14,579	134,428
Vehicles	—	—	69,759	69,759	14,579
Equipment	—	—	134,428	134,428	69,759
	—	—	489,782	489,782	489,782
Less accumulated depreciation	—	—	(112,635)	(112,635)	(96,413)
Fixed assets, net	—	—	377,147	377,147	393,369
Total assets	\$ 2,679,698	602,139	473,833	3,755,670	3,982,601
Liabilities, Contributed Capital and Retained Earnings (Accumulated Deficit)					
Liabilities:					
Accounts payable	\$ —	1,080	50,835	51,915	75,619
Accrued insurance claims payable	198,608	27,447	—	226,055	227,223
Due to other funds:					
Group insurance	—	—	312,416	312,416	318,626
General insurance	—	—	121,134	121,134	180,319
Total liabilities	198,608	28,527	484,385	711,520	801,787
Contributed capital and retained earnings (accumulated deficit):					
Contributed capital	—	—	350,283	350,283	350,283
Retained earnings (accumulated deficit):					
Reserved for payment of claims	2,481,090	573,612	—	3,054,702	3,191,366
Unreserved	—	—	(360,835)	(360,835)	(360,835)
Total retained earnings (accumulated deficit)	2,481,090	573,612	(360,835)	2,693,867	2,830,531
Total contributed capital and retained earnings (accumulated deficit)	2,481,090	573,612	(10,552)	3,044,150	3,180,814
Total liabilities, contributed capital and retained earnings (accumulated deficit)	\$ 2,679,698	602,139	473,833	3,755,670	3,982,601

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Proprietary Funds – Internal Service Funds

Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings (Accumulated Deficit)

Year ended December 31, 2001
(with comparative totals for December 31, 2000)

	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Totals	
				2001	2000
Operating revenues:					
Employer's contributions	\$ 1,740,039	—	—	1,740,039	1,504,622
Employees' contributions	558,695	—	—	558,695	502,126
Charges for sales and service	—	598,580	1,031,320	1,629,900	1,785,346
Total revenues	2,298,734	598,580	1,031,320	3,928,634	3,792,094
Operating expenses:					
Claims	1,975,708	277,078	—	2,252,786	1,844,009
Cost of sales and service	—	—	1,051,063	1,051,063	1,252,711
Insurance premiums	374,119	301,141	15,719	690,979	509,714
General and administrative	102,102	—	—	102,102	127,270
Depreciation	—	—	16,222	16,222	16,401
Other	33,078	141,244	35,046	209,368	145,249
Total expenses	2,485,007	719,463	1,118,050	4,322,520	3,895,354
Operating income (loss)	(186,273)	(120,883)	(86,730)	(393,886)	(103,260)
Nonoperating revenues (expense):					
Interest income	131,100	24,908	—	156,008	191,790
Net increase (decrease) in the fair value of investments	11,927	2,557	—	14,484	36,802
Interest expense	—	—	(13,270)	(13,270)	(13,551)
	143,027	27,465	(13,270)	157,222	215,041
Net income before transfers	(43,246)	(93,418)	(100,000)	(236,664)	111,781
Transfer from Riverboat Fund	—	—	100,000	100,000	—
Net income (loss)	(43,246)	(93,418)	—	(136,664)	111,781
Retained earnings (accumulated deficit) at beginning of year	2,524,336	667,030	(360,835)	2,830,531	2,718,750
Retained earnings (accumulated deficit) at end of year	\$ 2,481,090	573,612	(360,835)	2,693,867	2,830,531

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Proprietary Funds – Internal Service Funds
 Combining Statement of Cash Flows
 Year ended December 31, 2001
 (with comparative totals for December 31, 2000)

	Group Insurance Fund	General Insurance Fund	Fleet Service Fund	Totals	
				2001	2000
Cash flows from operating activities:					
Operating income (loss)	\$ (186,273)	(120,883)	(86,730)	(393,886)	(103,260)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	—	—	16,222	16,222	16,401
(Increase) decrease in assets:					
Accounts receivable – other	4,983	—	39,688	44,671	9,910
Due from other funds	6,210	59,184	—	65,394	(135,258)
Inventory	—	—	14,382	14,382	20,728
Increase (decrease) in liabilities:					
Accrued insurance claims payable	7,066	(8,234)	—	(1,168)	14,622
Accounts payable	—	(18,807)	(4,897)	(23,704)	(57,131)
Due to other funds	—	—	(65,395)	(65,395)	135,259
Net cash provided by (used in) operating activities	(168,014)	(88,740)	(86,730)	(343,484)	(98,729)
Net cash used in noncapital financing activities – interest paid	—	—	(13,270)	(13,270)	(13,551)
Cash flows from investing activities:					
(Purchases) sales of investment securities	(40,889)	34,108	—	(6,781)	(256,138)
Operating transfer in	—	—	100,000	100,000	—
Interest on investments	142,237	27,544	—	169,781	176,943
Net cash provided by (used in) investing activities	101,348	61,652	100,000	263,000	(79,195)
Net increase (decrease) in cash and cash equivalents	(66,666)	(27,088)	—	(93,754)	(191,475)
Cash and cash equivalents at beginning of year	257,130	107,427	—	364,557	556,032
Cash and cash equivalents at end of year	\$ 190,464	80,339	—	270,803	364,557

See accompanying notes to financial statements.

FIDUCIARY FUNDS

Trust and Agency Funds are used to account for assets held in a trustee capacity or as an agent for other governments. These include Expendable Trust, Nonexpendable Trust, and Agency Funds. The Commission has four fiduciary funds:

Jail Site Nonexpendable Trust Fund – The establishment of this fund was mandated by the legislature to account for the proceeds from the sale of certain property in downtown Shreveport. The fund is nonexpendable and may only be utilized for the purpose of making revolving loans to the General Fund.

Reserve Trust Expendable Trust Fund – This fund was established by the Caddo Parish Commission to provide financial resources in the event of a major interruption in budgeted revenues, a catastrophic natural disaster, an extraordinary economic development opportunity or other occasion requiring immediate emergency funding needs or cash flow loan demand. This fund was established with a transfer from the Riverboat Fund.

Penal Farm Expendable Trust Fund – This fund was established by the Caddo Parish Commission to account for the proceeds from the sale of land at the old penal farm site, now known as the West Shreveport Industrial Park. The sale proceeds are dedicated to industrial inducement and industrial park acquisition and improvement.

Criminal Court Fund – The establishment of this fund was mandated by the legislature to account for the proceeds from operations of the First Judicial District Court. All fines, court costs, and bond forfeitures imposed by the Court are dedicated to trial costs and other operating expenditures.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Fiduciary Funds

Combining Balance Sheet

December 31, 2001
(with comparative totals for December 31, 2000)

Assets	Nonexpendable Trust Fund	Expendable Trust Fund		Expendable Trust Fund	Agency Funds Criminal Court Fund	Totals	
	Jail Site Fund	Reserve Trust Fund	Penal Farm Fund			2001	2000
Cash and cash equivalents	\$ 14,321	792,020	75,414	—	—	881,755	714,837
Investments	29,208	2,926,006	90,567	—	—	3,045,781	3,870,188
Accrued interest receivable	6,148	31,614	979	—	—	38,741	61,773
Receivables	—	—	—	1,560	—	1,560	1,282
Due from General Fund	1,070,000	—	—	—	—	1,070,000	—
Due from other governmental agencies	—	—	17,725	69,564	—	87,289	92,781
Total assets	\$ 1,119,677	3,749,640	184,685	71,124	—	5,125,126	4,740,861
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ —	—	—	48,396	—	48,396	54,363
Due to other funds	—	—	—	22,728	—	22,728	34,207
Total liabilities	—	—	—	71,124	—	71,124	88,570
Fund balances:							
Reserved for:							
Revolving loans to General Fund	1,119,677	—	—	—	—	1,119,677	1,093,027
Contingencies	—	3,749,640	—	—	—	3,749,640	3,348,296
Industrial development	—	—	184,685	—	—	184,685	210,968
Total fund balances	1,119,677	3,749,640	184,685	—	—	5,054,002	4,652,291
Total liabilities and fund balances	\$ 1,119,677	3,749,640	184,685	71,124	—	5,125,126	4,740,861

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Fiduciary Funds

Nonexpendable Trust Fund – Jail Site Fund

Comparative Statement of Revenues and Changes in Fund Balance

Years ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Revenues:		
Use of money and property:		
Interest earned	\$ 39,648	50,210
Net increase (decrease) in the fair value of investments	(12,998)	13,430
Total revenues	<u>26,650</u>	<u>63,640</u>
Fund balance at beginning of year	<u>1,093,027</u>	<u>1,029,387</u>
Fund balance at end of year	<u>\$ 1,119,677</u>	<u>1,093,027</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Fiduciary Funds
 Nonexpendable Trust Fund – Jail Site Fund
 Comparative Statement of Cash Flows
 Years ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Operating income	\$ 26,650	63,640
Adjustments to reconcile operating income to net cash provided by operating activities:		
Decrease (increase) in due from General Fund	(1,070,000)	1,002,932
Change in other receivables	8,769	(14,777)
Net cash (used in) provided by operating activities	<u>(1,034,581)</u>	<u>1,051,795</u>
Net cash used in investing activities – purchases of investments	<u>905,882</u>	<u>(922,889)</u>
Net increase (decrease) in cash and cash equivalents	(128,699)	128,906
Cash at beginning of year	<u>143,020</u>	<u>14,114</u>
Cash at end of year	<u>\$ 14,321</u>	<u>143,020</u>

See accompanying notes to financial statements.

CADD0 PARISH COMMISSION

Shreveport, Louisiana

Fiduciary Funds

Expendable Trust Funds

Combining Statement of Revenues, Expenditures, and
Changes in Fund BalanceYear ended December 31, 2001
(with comparative totals for year ended December 31, 2000)

	Reserve Trust Fund	Penal Farm Fund	Totals	
			2001	2000
Revenues:				
Use of money and property:				
Interest earned	\$ 170,084	8,497	178,581	120,770
Net increase (decrease) in the fair value of investments	(19,594)	1,968	(17,626)	42,186
	150,490	10,465	160,955	162,956
Other	—	117,877	117,877	97,345
Total revenues	150,490	128,342	278,832	260,301
Expenditures – capital projects:				
Economic development	—	145,500	145,500	172,000
Miscellaneous	1,650	2,605	4,255	2,458
Total expenditures	1,650	148,105	149,755	174,458
Excess (deficiency) of revenues over (under) expenditures	148,840	(19,763)	129,077	85,843
Other financing sources (uses):				
Operating transfers in	252,504	—	252,504	3,218,479
Operating transfers out	—	(6,520)	(6,520)	—
	252,504	(6,520)	245,984	3,218,479
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	401,344	(26,283)	375,061	3,304,322
Fund balance at beginning of year	3,348,296	210,968	3,559,264	254,942
Fund balance at end of year	\$ 3,749,640	184,685	3,934,325	3,559,264

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Fiduciary Funds
 Agency Fund – Criminal Court Fund
 Statement of Changes in Assets and Liabilities
 Year ended December 31, 2001

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
Assets				
Receivables – other	\$ 79,320	—	8,196	71,124
Liabilities				
Accounts payable	\$ 45,113	3,283	—	48,396
Due to other funds	34,207	22,727	34,206	22,728
Total liabilities	\$ 79,320	26,010	34,206	71,124

See accompanying notes to financial statements.

ACCOUNT GROUPS

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is established to account for all fixed assets of the Commission. Capital expenditures in all funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for central purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for governmental entities, depreciation is not recorded in general fixed assets.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Comparative Schedule of General Fixed Assets – By Source
December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
General fixed assets:		
Land and land improvements	\$ 8,343,705	8,343,705
Buildings and structures	63,157,438	62,888,831
Machinery and equipment	16,427,488	14,649,628
Vehicles	5,065,141	4,957,145
Construction in progress	5,124,974	4,135,030
	<u>\$ 98,118,746</u>	<u>94,974,339</u>
Investment in general fixed assets – by source:		
Investment, December 31, 1982	\$ 8,229,787	8,311,446
Subsequent to December 31, 1982:		
General obligation bonds	28,174,017	28,174,017
Certificates of indebtedness	2,423,827	2,423,827
Penal Farm Fund	1,205,960	1,205,960
General Fund	1,853,321	1,876,902
Contributions from other governmental funds and agencies	56,108,834	52,859,187
Donations	123,000	123,000
	<u>\$ 98,118,746</u>	<u>94,974,339</u>

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Schedule of Changes in General Fixed Assets --
By Function and Activity

Year ended December 31, 2001

Function and Activity	General Fixed Assets January 1, 2001	Additions	Retirements	Transfers	December 31, 2001
General government:					
Judicial	\$ 6,159,000	25,574	(2,300)	—	6,182,274
Elections	59,995	—	—	—	59,995
Finance and administrative	891,217	101,642	(42,332)	—	950,527
Other general government	11,059,007	19,837	(15,312)	(12,690)	11,050,842
	18,169,219	147,053	(59,944)	(12,690)	18,243,638
Public safety	31,203,538	27,366	—	—	31,230,904
Health and welfare	8,864,450	97,154	(44,025)	—	8,917,579
Highways and streets	6,191,784	779,037	(301,541)	12,690	6,681,970
Sanitation	2,038,459	70,756	—	3,675	2,112,890
Culture and recreation	24,371,859	1,523,273	(84,666)	(3,675)	25,806,791
Construction in progress	4,135,030	1,990,049	(1,000,105)	—	5,124,974
Total general fixed assets	\$ 94,974,339	4,634,688	(1,490,281)	—	98,118,746

See accompanying notes to financial statements.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Schedule of Changes in General Fixed Assets --
By Function and Activity

Year ended December 31, 2001

Function and Activity	Total	Land and Land Improvements	Buildings and Structures	Machinery and Equipment	Vehicles
General government:					
Judicial	\$ 6,182,274	102,500	5,715,497	66,082	298,195
Elections	59,995	—	—	59,995	—
Finance and administrative	950,527	—	159,992	606,237	184,298
Other general government	11,050,842	14,800	10,331,069	505,422	199,551
	<u>18,243,638</u>	<u>117,300</u>	<u>16,206,558</u>	<u>1,237,736</u>	<u>682,044</u>
Public safety	31,230,904	2,240,190	27,397,021	1,540,832	52,861
Health and welfare	8,917,579	1,616,709	6,437,697	424,232	438,941
Highways and streets	6,681,970	9,589	99,576	3,378,236	3,194,569
Sanitation	2,112,890	482,028	24,402	1,237,286	369,174
Culture and recreation	25,806,791	3,877,889	12,992,184	8,609,166	327,552
	<u>74,750,134</u>	<u>8,226,405</u>	<u>46,950,880</u>	<u>15,189,752</u>	<u>4,383,097</u>
Total general fixed assets allocated to functions		<u>8,343,705</u>	<u>63,157,438</u>	<u>16,427,488</u>	<u>5,065,141</u>
Construction in progress	<u>5,124,974</u>				
Total general fixed assets	\$ <u>98,118,746</u>				

See accompanying notes to financial statements.

GENERAL LONG-TERM OBLIGATION ACCOUNT GROUP

This account group represents a summary of all general obligation debt of the Commission.

CADDO PARISH COMMISSION
Shreveport, Louisiana

Schedule of Changes in Long-Term Obligations
Year ended December 31, 2001

	December 31, 2000	Additions	Payments	Debt Service Fund Operations	December 31, 2001
Amount available in Debt Service Fund	\$ 3,048,720	—	—	(454,905)	2,593,815
Amount to be provided for retirement of long-term debt	15,916,280	7,000,000	1,625,000	454,905	21,746,185
Amount to be provided for accrued compensated absences	817,507	42,215	—	—	859,722
	<u>\$ 19,782,507</u>	<u>7,042,215</u>	<u>1,625,000</u>	<u>—</u>	<u>25,199,722</u>
Long-term obligations payable:					
General obligation bonds payable	\$ 15,755,000	—	1,325,000	—	14,430,000
Certificates of indebtedness	3,210,000	7,000,000	300,000	—	9,910,000
Accrued compensated absences	817,507	42,215	—	—	859,722
	<u>\$ 19,782,507</u>	<u>7,042,215</u>	<u>1,625,000</u>	<u>—</u>	<u>25,199,722</u>

See accompanying notes to financial statements.

**STATISTICAL
SECTION**

Table 1

CADDO PARISH COMMISSION
Shreveport, Louisiana

General Governmental Expenditures by Function (1)

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year		General Government	Public Safety	Health and Welfare	Education	Highways and		Sanitation	Culture and Recreation	Economic Development	Debt Service	Total
						Streets						
1992	\$	8,710,503	6,182,696	1,836,518	26,770	3,371,151		1,221,207	3,513,424	—	4,395,681	29,257,950
1993		8,564,518	6,821,776	2,112,407	22,376	3,679,213		1,458,412	3,652,365	50,388	4,452,621	30,814,076
1994		7,893,916	5,147,997	2,053,025	26,565	3,174,610		1,593,070	4,298,864	1,282,734	3,904,048	29,374,829
1995		7,503,599	4,988,668	2,181,001	34,313	3,398,209		1,090,880	4,143,709	2,018,478	4,279,153	29,638,010
1996		7,782,957	4,760,465	6,759,672	(2)	3,652,047		1,595,877	4,699,651	1,808,774	4,500,479	35,595,934
1997		8,300,568	5,213,532	7,049,181	43,744	3,676,163		1,337,629	6,974,710	1,438,294	4,600,684	38,634,505
1998		8,969,695	5,753,485	8,507,441	62,402	3,916,401		1,482,642	7,590,568	870,332	4,466,144	41,619,110
1999		9,559,796	5,967,039	8,542,400	56,877	3,971,420		1,505,141	11,530,638	1,878,574	4,819,479	47,831,364
2000		10,856,384	6,254,519	9,698,851	59,127	4,279,002		1,546,294	9,073,397	1,206,205	2,582,812	45,556,591
2001		11,382,641	6,630,058	11,714,336	56,807	4,176,409		1,648,856	7,904,719	2,420,192	2,669,450	48,603,468

Notes:

- (1) Includes General Fund, Special Revenue Funds, and Debt Service Fund.
(2) Includes Head Start and Child and Adult Care Food federal grants beginning in 1996.

Unaudited — see accompanying independent auditors' report.

Table 2

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 General Governmental Revenues by Source (1)
 Fiscal years ended December 31, 1992
 through December 31, 2001

Fiscal Year	Taxes and Special Assessments	Licenses and Permits	Inter govern- mental	Fees, Charges and				Gaming	Use of		Total
				Commissions for Services	Fines and Forfeitures	Money and Property	Other Revenues				
1992	\$ 27,054,747	365,445	3,061,298	179,183	50,448	547,670	—	208,810	31,467,601		
1993	29,396,156	330,230	3,635,449	110,939	147,427	508,279	—	272,905	34,401,385		
1994	27,783,678	344,417	3,795,844	79,874	231,618	693,046	535,098	268,018	33,731,593		
1995	27,519,725	413,097	2,878,756	106,322	203,100	1,035,901	975,662	499,694	33,632,257		
1996	31,018,958	381,828	8,146,618	(2)	208,267	833,451	994,519	335,060	42,020,582		
1997	33,484,090	397,361	8,124,162	59,167	187,176	985,813	2,176,489	404,527	45,818,785		
1998	33,310,791	396,068	9,693,974	66,291	168,352	1,196,332	2,265,619	371,185	47,468,612		
1999	33,774,492	430,613	9,188,782	68,183	153,939	1,173,268	2,541,134	682,202	48,012,613		
2000	34,010,192	371,594	11,733,174	67,607	170,299	1,122,284	2,566,023	707,323	50,748,496		
2001	35,982,121	442,747	13,139,058	73,045	184,308	1,153,182	2,480,919	503,989	53,959,369		

Notes:

- (1) Includes General Fund, Special Revenue Funds, and Debt Service Fund.
 (2) Includes Head Start and Child and Adult Care Food federal grants beginning in 1996.

Unaudited — see accompanying independent auditors' report.

Table 3

CADDO PARISH COMMISSION
Shreveport, Louisiana

Property Tax Levies and Collections

Tax years 1992 through 2001

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collected	Ratio of Total Collection to Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1992	\$ 26,615,156	23,875,503	89.7%	1,021,107	24,896,610	93.5%	1,718,546	6.5%
1993	30,377,761	26,988,878	88.8%	433,681	27,422,559	90.3%	2,955,202	9.7%
1994	31,473,592	28,635,496	91.0%	195,528	28,831,028	91.6%	2,642,568	8.4%
1995	26,760,402	24,958,411	93.3%	334,166	25,292,577	94.5%	1,467,825	5.5%
1996	30,636,915	27,765,864	90.6%	1,353,145	29,119,009	95.0%	1,517,906	5.0%
1997	32,356,691	29,584,050	91.4%	787,106	30,371,156	93.9%	1,985,535	6.1%
1998	32,516,749	30,358,547	93.4%	1,224,059	31,602,606	97.2%	914,143	2.8%
1999	33,358,712	31,275,081	93.8%	1,058,376	32,333,457	96.9%	1,025,255	3.1%
2000	33,128,458	30,554,081	92.2%	838,886	31,392,967	94.8%	1,735,491	5.2%
2001	34,935,138	32,391,440	92.7%	—	32,391,440	92.7%	2,543,692	7.3%

Notes:

- (1) Per original roll adjusted for subsequent Louisiana Tax Commission change orders.
- (2) Collections through April 30th of subsequent year.
- (3) See note 3 to financial statements for criteria utilized in determining revenue recognition for property taxes.

Unaudited – see accompanying independent auditors' report.

Table 4

CADDO PARISH COMMISSION
Shreveport, Louisiana

Assessed and Estimated Actual Value
of Taxable Property

Fiscal years ended December 31, 1992
through December 31, 2001

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Assessed Value to Estimated Actual Value</u>
1992	\$ 877,697,520	7,702,836,166	11.4%
1993	913,255,670	7,984,863,600	11.4%
1994	942,377,110	8,170,952,961	11.5%
1995	949,228,840	8,263,438,800	11.5%
1996	988,098,350	8,577,996,466	11.5%
1997	1,032,835,570	8,935,788,933	11.6%
1998	1,053,910,790	9,119,621,300	11.6%
1999	1,077,027,570	9,318,879,200	11.6%
2000	1,131,885,010	9,814,671,700	11.5%
2001	1,148,501,080	9,981,031,476	11.5%

Note: Assessed values are established by the Caddo Parish Tax Assessor on January 1st of each year at approximately 10-15% of actual market value, depending upon the property classification. A revaluation of all property is required to be completed no less than every four years. The last such revaluation was completed for the tax roll of 2000. The next revaluation will be completed as of January 1, 2005 for the 2004 tax roll.

Unaudited – see accompanying independent auditors' report.

Table 5

CADDO PARISH COMMISSION
Shreveport, Louisiana

Property Tax Rates and Tax Levies –
Direct and Overlapping Governments (1)

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year	Tax Rates per \$1,000 Assessed Value				Tax Levies (2)			
	Parishwide (3)			City of Shreveport	Parishwide			City of Shreveport
	Commission	Schools	Sheriff		Commission	Schools	Sheriff	
	Total				Total			Total
1992 \$	41.93	56.13	11.94	51.34	161.34	26,615,156	7,449,460	35,396,942
1993	42.53	55.68	14.94	51.34	164.49	27,466,995	9,828,537	36,402,501
1994	38.72	54.98	14.94	51.34	159.98	25,711,970	10,249,984	37,825,061
1995	38.22	54.58	14.94	51.34	159.08	24,248,317	10,303,214	39,316,657
1996	41.90	53.31	14.94	51.63	161.78	30,657,689	10,775,944	40,896,395
1997	41.87	85.08	14.94	51.63	193.52	32,379,526	11,390,913	42,905,989
1998	41.17	84.48	14.94	51.63	192.22	32,516,749	11,637,659	44,133,525
1999	41.17	83.98	14.94	51.63	191.72	33,358,712	11,932,230	44,113,404
2000	38.95	85.63	14.94	51.30	190.82	33,128,458	12,519,637	45,926,818
2001	40.16	86.03	14.94	51.30	192.43	34,935,138	12,758,410	48,082,314
								104,481,507
								110,328,082
								111,507,506
								111,508,711
								120,781,537
								151,545,163
								154,094,452
								151,477,215
								163,332,378
								169,243,471

Notes:

- (1) Includes parishwide overlapping levies and levy of the largest municipality which overlaps approximately 79.6% of the total parish population and approximately 77.7% of the total parish assessment. There are other small municipalities and taxing districts currently levying ad valorem taxes within the parish.
- (2) Per original tax roll as filed by the Caddo Parish Tax Assessor.
- (3) Rates for taxpayers within the City of Shreveport and the Town of Vivian.

Unaudited – see accompanying independent auditors' report.

Table 6

CADDO PARISH COMMISSION
Shreveport, Louisiana

Special Assessment Collections

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year	Amount of Installment Assessments Due	Total Revenue Collected	Percentage of Revenue to Assessments Due
1992	\$ 17,259	40,265	233.30%
1993	20,203	21,029	104.09%
1994	48,935	89,103	182.08%
1995	40,859	32,339	79.15%
1996	31,460	122,518	389.44%
1997	67,511	192,309	284.86%
1998	79,794	116,467	145.96%
1999	77,711	122,905	158.16%
2000	68,174	121,092	177.62%
2001	59,645	94,817	158.97%

Unaudited – see accompanying independent auditors' report.

Table 7

CADDO PARISH COMMISSION
Shreveport, Louisiana

Ratio of Net General Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita (2)

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year	Population	Assessed Value (1)	Gross Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1992	247,033	\$ 877,697,520	33,780,000	8,583,566	25,196,434	2.87%	\$ 102
1993	246,597	913,255,670	31,830,000	8,546,284	23,283,716	2.55%	94
1994	246,435	942,377,110	30,585,000	8,808,795	21,776,205	2.31%	88
1995	246,690	949,228,840	29,325,000	8,606,751	20,718,249	2.18%	84
1996	247,301	988,098,350	26,670,000	7,636,833	19,033,167	1.93%	77
1997	244,943	1,032,835,570	23,370,000	6,632,030	16,737,970	1.62%	68
1998	242,471	1,053,910,790	20,620,000	5,220,685	15,399,315	1.46%	64
1999	241,587	1,077,027,570	17,005,000	3,360,843	13,644,157	1.27%	56
2000	252,161	1,131,885,010	15,755,000	3,048,720	12,706,280	1.12%	50
2001	252,574	1,148,501,080	14,430,000	2,593,815	11,836,185	1.03%	47

Notes:

- (1) The Louisiana constitution requires a complete assessment revaluation no less than every four years. Revaluations are reflected in years 1992, 1996, and 2000.
- (2) Does not include certificates of indebtedness.

Unaudited — see accompanying independent auditors' report.

Table 8

CADDO PARISH COMMISSION
Shreveport, Louisiana

Computation of Legal Debt Margin (1)

December 31, 2001

	<u>Jails</u>	<u>Juvenile Justice</u>	<u>Health Unit</u>
Assessed value \$1,148,501,080			
Debt limit – 10% of assessed value for any one purpose	\$ 114,850,108	114,850,108	114,850,108
Deduct – amount of debt applicable to debt limit	<u>8,010,000</u>	<u>3,115,000</u>	<u>3,305,000</u>
Legal debt margin	<u>\$ 106,840,108</u>	<u>111,735,108</u>	<u>111,545,108</u>

Note:

- (1) State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose and 35% of the total assessed value for all purposes. A total of approximately \$387,545,378 of additional bonded debt could be approved for issuance pursuant to the 35% limitation.

Unaudited – see accompanying independent auditors' report.

Table 9

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Computation of Direct and Overlapping Debt
 December 31, 2001

	<u>Net Debt</u>	<u>Percentage of Debt Applicable to the Parish</u>	<u>Parish's Share of Debt</u>
Caddo Parish Commission	\$ 11,836,185	100%	11,836,185
Caddo Parish School Board	58,798,997	100%	58,798,997
City of Shreveport	332,439,402	99%	329,115,008
	<u>\$ 403,074,584</u>		<u>399,750,190</u>

Unaudited – see accompanying independent auditors' report.

Table 10

CADDO PARISH COMMISSION
Shreveport, Louisiana

Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Expenditures

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year	Principal	Interest	Total Debt Service (2)	Total General Expenditures (1)	Debt Service as a Percentage of Total General Expenditures
1992	\$ 1,635,000	2,594,635	4,229,635	29,257,950	14.46%
1993	1,260,000	1,976,243	3,236,243	30,814,076	10.50%
1994	1,725,000	2,013,361	3,738,361	29,734,829	12.57%
1995	2,365,000	1,323,514	3,688,514	29,638,010	12.45%
1996	2,655,000	1,721,638	4,376,638	35,595,934	12.30%
1997	3,090,000	1,383,389	4,473,389	38,634,505	11.58%
1998	3,135,000	1,218,727	4,353,727	41,619,110	10.46%
1999	3,615,000	991,690	4,606,690	47,831,364	9.63%
2000	1,540,000	960,153	2,500,153	45,556,591	5.49%
2001	1,625,000	962,881	2,587,881	48,603,468	5.32%

Notes:

- (1) Total General Expenditures includes General Fund, Special Revenue Funds, and Debt Service Fund.
 (2) Includes bonded debt and certificates of indebtedness.

Unaudited – see accompanying independent auditors' report.

Table 11

CADDO PARISH COMMISSION

Shreveport, Louisiana

Demographic Statistics

Fiscal years ended December 31, 1992
through December 31, 2001

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Age (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
1992	247,033	32.5	49,154	6.5%
1993	246,597	33.2	48,795	8.1%
1994	246,435	33.4	49,310	6.3%
1995	246,690	33.3	49,139	5.6%
1996	247,301	33.3	48,843	6.3%
1997	244,943	34.3	48,018	6.8%
1998	242,471	34.3	46,832	4.5%
1999	241,587	34.3	46,653	3.8%
2000	252,161	34.5	45,120	5.2%
2001	252,574	35.4	44,943	6.4%

Notes:

- (1) Research Division, Louisiana Tech University
- (2) Greater Shreveport Chamber of Commerce
- (3) Caddo Parish School Board
- (4) Louisiana Department of Labor

Unaudited – see accompanying independent auditors' report.

Table 12

CADDO PARISH COMMISSION
Shreveport, Louisiana

Commercial Construction, Residential Construction, and Property Value

Fiscal years ended December 31, 1992
through December 31, 2001

Fiscal Year	Commercial Construction		Residential Construction (1)		Property Value (2)	
	Number of Units	Value	Number of Units	Value	Real Estate	Other (3)
1992	24	\$ 14,125,672	272	\$ 21,873,965	5,554,558,100	2,148,278,066
1993	42	24,776,625	178	23,803,536	5,689,477,600	2,295,386,000
1994	64	28,406,873	233	33,893,896	5,665,316,900	2,505,636,061
1995	79	33,923,714	249	34,100,257	5,805,739,600	2,457,699,200
1996	79	43,539,539	276	37,707,516	5,972,022,400	2,605,974,066
1997	114	119,502,459	235	37,121,897	6,150,655,400	2,785,133,533
1998	157	114,443,170	258	40,088,629	6,280,648,100	2,838,973,200
1999	168	147,216,441	378	50,678,841	6,416,086,200	2,902,793,000
2000	103	72,305,845	355	56,689,353	6,806,315,100	3,008,356,200
2001	161	57,699,144	374	56,942,287	6,973,071,010	3,007,960,466

Notes:

- (1) Estimated utilizing Metropolitan Planning Commission data
- (2) Caddo Parish Tax Assessor
- (3) Includes machinery and equipment, furniture and fixtures, inventories, pipelines, and public utility infrastructure.

Unaudited — see accompanying independent auditors' report.

Table 13

CADDO PARISH COMMISSION
Shreveport, Louisiana

Principal Taxpayers

December 31, 2001

<u>Taxpayer</u>	<u>Industry</u>	<u>Assessed Value</u>	<u>Percentage of Total Assessed Value</u>	<u>2001 Tax Amount</u>
Southwestern Electric Power Company	Public Utility	\$ 56,443,200	4.91%	\$ 2,266,759
Bell South Corporation	Public Utility	30,869,480	2.69%	1,239,718
General Motors	Manufacturing	20,099,440	1.75%	807,193
Lucent Technologies/Avaya	Comm. Technology	18,951,860	1.65%	761,106
Pennzoil/Quaker State	Refinery	14,504,450	1.26%	582,498
Hibernia	Banking	11,615,090	1.01%	466,462
AmSouth	Banking	9,802,370	0.85%	393,663
Casino Magic	Casino	9,377,140	0.82%	376,586
Universal Oil Products	Refinery	8,450,660	0.74%	339,378
Wal-Mart	Retail	8,386,940	0.73%	336,819
Total for ten principal taxpayers		188,500,630	16.41%	7,570,182
Total for remaining taxpayers		960,000,450	83.59%	27,364,956
Total for all taxpayers		\$ 1,148,501,080	100.00%	\$ 34,935,138

Note: The assessed value includes \$294,524,450 of homestead exemption.

Unaudited – see accompanying independent auditors' report.

Table 14

CADDO PARISH COMMISSION
Shreveport, Louisiana
Miscellaneous Statistics
December 31, 2001

Date of first settlement	1835
Date of parish formation	1838
Area – square miles	891
Form of government	Council-Manager
Date established	1984
Number of employees	418
Square footage of major buildings:	
Caddo Parish Courthouse	205,500
Caddo Parish Commission Building	44,385
Caddo Parish Health Unit	46,056
Fleet Services Garage	21,000
Juvenile Court	57,244
Caddo Correctional Center	311,000
Caddo Animal Control Center	13,700
Library (main branch)	80,000
Government Plaza (Parish portion)	38,462
Roads and bridges:	
Miles of roads	784
Number of bridges	183
Parks and recreation:	
Parks – number of acres	875
Number of playgrounds	11
Number of picnic areas	12
Number of boat launching ramps	7
Public libraries:	
Number of library branches	20
Number of books	670,000
Annual circulation	1,040,986
Sanitation:	
Number of collection compactors	17
Tons of solid waste collected	14,700

Unaudited – see accompanying independent auditors' report.

Table 15

CADDO PARISH COMMISSION
 Shreveport, Louisiana
 Compensation Paid to Commissioners
 December 31, 2001

Commissioner:	<u>Compensation</u>
Joyce M. Bowman	\$ 17,965
Robert Charles Brown	16,775
Forrest A. Davis	16,775
Danny Joe Dumas	16,775
Kenneth R. Epperson	16,775
John P. Escude	16,784
Gilford L. Gillen	16,775
Rose Wilson McCulloch	16,775
James H. Morris	16,775
Carl A. Pierson	16,775
Ronald A. Webb, Sr.	16,775
Patrick C. Williams	16,775
	<u>\$ 202,499</u>

Unaudited – see accompanying independent auditors' report.



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CADDO PARISH COMMISSION

Shreveport, Louisiana

OMB Circular A-133 Reports

December 31, 2001

(With Independent Auditors' Reports Thereon)

CADDO PARISH COMMISSION

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333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

**Independent Auditors' Report on Compliance and on Internal Control
Over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

To the Members of the Caddo Parish Commission
Caddo Parish Courthouse
Shreveport, Louisiana:

We have audited the primary government financial statements and the combining, individual fund, and individual account group financial statements of the Caddo Parish Commission (the Commission) as of and for the year ended December 31, 2001, and have issued our report thereon dated May 17, 2002, which includes an explanatory paragraph due to a change in accounting principle for the adoption of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, in 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Commission in a separate letter dated May 17, 2002.



This report is intended solely for the information and use of the Commissioners, management, the State of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 17, 2002



333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

**Independent Auditors' Report on Compliance With Requirements
Applicable to the Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133
and on the Schedule of Expenditures of Federal Awards**

To the Members of the Caddo Parish Commission
Caddo Parish Courthouse
Shreveport, Louisiana:

Compliance

We have audited the compliance of the Caddo Parish Commission (the Commission) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2001. The Commission's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Commission's compliance with those requirements.

In our opinion, the Caddo Parish Commission complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2001. The results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133.



Internal Control Over Compliance

The management of the Caddo Parish Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the primary government financial statements and the combining, individual fund, and individual account group financial statements of the Caddo Parish Commission as of and for the year ended December 31, 2001, and have issued our report thereon dated May 17, 2002, which includes an explanatory paragraph due to a change in accounting principle for the adoption of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, in 2001. Our audit was performed for the purpose of forming an opinion on the primary government financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the primary government financial statements. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the primary government financial statements taken as a whole.

This report is intended solely for the information and use of the Commissioners, management, the State of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 17, 2002

CADDO PARISH COMMISSION
Shreveport, Louisiana
Schedule of Expenditures of Federal Awards
Year ended December 31, 2001

<u>Grantor title</u>	<u>Federal CFDA number</u>	<u>Grant number</u>	<u>Federal expenditures</u>
U.S. Department of Agriculture			
Pass-through State Department of Food and Nutrition Services – Food Nutrition Grant	10.550	N/A	\$ <u>44,405</u>
Total U.S. Department of Agriculture			<u>44,405</u>
U.S. Department of Housing and Urban Development			
Section 8 Housing Assistance Program	14.156	LA 184V003-005	<u>388,871</u>
Total U.S. Department of Housing and Urban Development			<u>388,871</u>
U.S. Department of Justice			
Pass-through Louisiana Department of Corrections – Violent Offenders and Truth in Sentencing Grant	16.586	96-CV-VX-0022	31,996
Pass-through Louisiana Commission on Law Enforcement and Administration of Criminal Justice – Juvenile Accountability Incentive Block Grant	16.523	A98-8-03	<u>288,520</u>
Total U.S. Department of Justice			<u>320,516</u>
U.S. Federal Emergency Management Agency			
Pass-through Louisiana Office of Emergency Preparedness – Hazard Mitigation Grant – Acquisition Project	83.548	HMGP1264-017-003	158,300
FEMA Grant	83.544	017-99017-000	<u>50,333</u>
Total U.S. Federal Emergency Management Agency			<u>208,633</u>
U.S. Department of Health and Human Services			
Head Start	93.600	06CH6376/25	<u>9,180,000</u>
Total U.S. Department of Health and Human Services			<u>9,180,000</u>
			<u>\$ 10,142,425</u>

See accompanying notes to schedule of expenditures of federal awards.

CADDO PARISH COMMISSION

Shreveport, Louisiana

Notes to Schedule of Expenditures of Federal Awards

December 31, 2001

(1) General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Caddo Parish Commission (the Commission) primary government and is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Commission's primary government financial statements.

(2) Subrecipients

Of the federal expenditures presented in the schedule, the Commission provided federal awards to subrecipients as follows:

<u>Program title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Head Start	93.600	\$ 9,180,000

CADDO PARISH COMMISSION

Shreveport, Louisiana

Schedule of Findings and Questioned Costs

Year ended December 31, 2001

Section 1 – Summary of Auditor’s Results

Primary Government Financial Statements

Type of report issued: unqualified opinion

Internal control over financial reporting:

- Material weaknesses identified? No
- Reportable conditions in internal control were disclosed by the audit of the primary government financial statements? None reported

Noncompliance material to primary government financial statements noted? No

Federal Awards

Internal control over major program:

- Material weaknesses identified? No
- Reportable conditions in internal control over major program? None reported

Type of auditor’s report issued on compliance for major program: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? No

Identification of major program:

CFDA number

Name of federal program or cluster

93.600

United States Department of Health and
Human Services – Head Start

Dollar threshold used to distinguish between Type A and Type B programs: \$304,273

Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: Yes

Section 2 – Primary Government Financial Statement Findings

None

Section 3 – Federal Award Findings and Questioned Costs

None



333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

May 17, 2002

CONFIDENTIAL

The Members of the Caddo
Parish Commission

Dear Commissioners:

We have audited the primary government financial statements of the Caddo Parish Commission (the Commission) and the combining, individual fund, and account group financial statements of the Commission as of and for the year ended December 31, 2001, and have issued our report thereon dated May 17, 2002. In planning and performing our audit of the financial statements of the Commission, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. We have not considered the internal control since the date of our report.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

INFORMATION SYSTEMS

While the Commission maintains backup tapes of the mainframe, there are no formal disaster recovery procedures in place. There has been no formal testing of a disaster recovery process for the Commission servers. Failure to develop, document, test, and train personnel in the execution of a disaster recovery plan increases the risk that important Commission services and information may not be restored in a timely manner. A detailed business continuity plan will assist the Commission with the capability to recover information systems in a timely and orderly manner.

Management's Response -- The Commission will develop a written, comprehensive disaster recovery plan no later than October 31, 2002. This plan will address all major sites and subsystems with specific step-by-step instructions for recovery by component level. We will conduct two disaster recovery exercises in the months of November and December 2002. One scenario will be the total loss of all computer equipment in the Courthouse basement and the other scenario the total loss of all computer equipment in the Bickham Building. We will coordinate with the Caddo Parish Sheriff's Office and the Caddo Parish District Attorney to address shared equipment and invite them to participate in the disaster recovery planning and exercise when appropriate.



SHREVE MEMORIAL LIBRARY (REPEAT COMMENT)

The Shreve Memorial Library (SML) is reported as a Special Revenue Fund within the primary government financial statements of the Commission. As discussed in our prior year letter to you, the accounting for the SML is performed by the City of Shreveport with very limited involvement and review by management of the Commission. Adjustments and reporting issues are only addressed as part of the year end financial statement preparation. We recommend that the Commission establish controls through monthly reviews of the accounting records that will enable the Commission to address accounting and reporting issues throughout the year.

Management's Response – Monitoring this fund presents a continuing problem because the Commission does not perform the accounting for the Shreve Memorial Library (SML) fund. The City of Shreveport (the City) performs the accounting for SML through an agreement between the City and the Parish of Caddo established several years ago. Neither the Commission nor the City can alter this agreement without authority from the Commission or City Council. The Commission's involvement is limited given that SML has its own board and Commission management does not approve revenue and expenditure transactions.

The Commission receives monthly financial statements for SML from the City. These statements are closely reviewed for any inconsistencies or irregularities. It is not practical for the Commission to become more involved in the accounting for SML given the unique nature of SML's accounting function. We will continue to monitor the activities of the library through our review of the financial statements. We will also review plans for the library's capital improvement program on a regular basis.

FLEET SERVICE FUND BALANCE DEFICIT (REPEAT COMMENT)

The Fleet Services Fund has operated at a net loss over several years and continues to carry a negative retained earnings balance. (The Fleet Services Fund accounts for the repairs and maintenance activities provided by the Commission's central garage location for the various departments of the Commission.) The deficit retained earnings balance for the past five years was as follows:

1997	\$ (221,306)
1998	(229,464)
1999	(251,546)
2000	(360,835)
2001	(360,835)

We noted through discussion with accounting personnel that the Commission has a plan to eliminate this deficit. We recommend the Commission ensure that it adheres to this plan and eliminate this deficit over a reasonable time period.

Management's Response – The 2002 operating budget includes a comprehensive plan to amortize the deficit for the Fleet Services Fund over a four-year period. This will be accomplished through yearly capital contributions, with 50% allocated upon service volumes by the operating departments and 50% from general revenues. Once the accumulated deficit is eliminated, annual departmental subsidies will continue at a level sufficient to prevent a reoccurrence.

INVESTMENTS

During the course of testwork performed, KPMG noted a lack of segregation of duties surrounding the purchases and sale of investments. The same person is responsible for recording the investments, implementing transactions, and reconciling the investment account.

Management should ensure that the maximum segregation of duties is achieved with the limited number of employees available by having another person perform the reconciliation of the investment account.

Management's Response – The Commission will implement procedures to ensure the Assistant Director of Finance reviews and/or reconciles the investment account on a periodic basis.

STATING INVESTMENTS AT FAIR VALUE

The Commission records investments at cost. Governmental Accounting Standards Board Statement No. 31 (GASB 31) requires that investments be reported at fair value. GASB 31 was implemented in 1998 and required no adjustment as cost approximated fair value. However, for 1999, 2000 and 2001, adjustments of (\$400,000), \$350,000 and \$250,000, respectively, were required to increase (decrease) the balance of investments to fair value. Because the Commission does not make the cost-to-market adjustments, audit adjustments must be made to properly state the investment balance at year end.

In addition, audit adjustments are also required to correctly classify investments. The investment account balance in each fund prior to any adjustments reflects each fund's equity in the "pooled" Investment Fund. (The Investment Fund was established in 1998 to account for investment activity rather than operating cash.) The assets in the Investment Fund in which the funds have ownership are not strictly investments, but also include cash, cash equivalents, and accrued interest receivable. Rather than recording the fund's asset by category within each fund, all of these assets are recorded as "investments" within the fund.

As seen above, these adjustments can be quite cumbersome and significant; therefore, we recommend that the Commission begin making adjustment to fair value and the reclassification of the investment balance among funds on at least an annual basis, or more frequently if necessary.

Management's Response – The Commission does not normally prepare external financial reports for periods other than year end. Accordingly, it is generally not considered necessary to make the required market price adjustment more than once a year. However, we now receive monthly market pricing of our portfolio from our third-party custodian. We will monitor this market report and will book interim adjustments if material or if special external reports are issued.

Also, the adjustment to reclassify investments is only necessary at year end for financial reporting purposes. Since the adjustment does not affect fund balance, the Commission does not consider it necessary to record the adjustment in its accounting records. For the year ending December 31, 2002, the Commission will prepare the investment reclassification worksheet for KPMG.

NEW REPORTING MODEL – GASB 34

After years of study and consideration of the needs of users of government financial statements, the Governmental Accounting Standards Board (GASB) issued its revolutionary new reporting model in June 1999. The new model dramatically changes the presentation of governments' external financial statements. In the GASB's view, the objective of the new model is to enhance the clarity and usefulness of government financial statements to the citizenry, oversight bodies, investors and creditors. It will substantially affect the Commission's financial data accumulation and financial statement presentation processes. Some of the key aspects of the changes follow:

Management's Discussion and Analysis (MD&A) – A comprehensive MD&A will now be included as required supplementary information. The MD&A will introduce the financial statements by presenting an analysis of the government's financial performance for the year and its financial position at year end. The MD&A will be *in addition* to the transmittal letter currently required for Government Finance Officers Association (GFOA) award candidates, but the GFOA has made changes in their requirements so as to avoid any duplication between the two documents.

Government-Wide Reporting – The Commission will be required to report financial operations and net assets, not only at the fund perspective for governmental activities, but will also have to prepare statements at the government-wide level. This level will distinguish between government and business type activities. *All* information at the government-wide level will be reported using the economic resources measurement focus and accrual basis of accounting, as enterprise funds do under the current model. Fiduciary activities will be excluded from the government-wide level of reporting. General government fixed assets and long-term liabilities of the government will need to be reported with all other governmental assets and liabilities.

Statement of Activities – Governments will now be required to use a "net program cost" format for the government-wide statements instead of a traditional operating statement. This new format groups revenues and expenses by functional categories (such as public safety, public works, etc.). The purpose of the new statement is to inform readers about the cost of specific functions and the extent to which they are financed with program revenues or general revenues of the government. Governments will have the option of reporting both direct and indirect program costs. Depreciation expense will now generally be reflected as a cost in the statement of activities.

Infrastructure Reporting – Historically, the Commission has not been required to record infrastructure assets in its financial statements. Under the new standard, the Commission must report infrastructure assets acquired within the last twenty-five years at historical cost. The standard provides several alternatives for determining historical cost of infrastructure assets. Although the standard generally requires depreciation of infrastructure assets, the Commission may not be required to depreciate these assets if it can demonstrate that it is preserving its infrastructure at approximately (or above) a disclosed condition level established by the Commission.

Fund Level Reporting – Fund level financial statements will still be required and will provide information about the Commission's fund types, including fiduciary funds and blended component units. General capital assets and general long-term liabilities will only be reported at the government-wide level. Fund level reporting will continue to focus on fiscal accountability and reflect the flows and balances of current financial resources. The modified accrual basis of accounting will continue to be used at the fund level, except for proprietary and fiduciary funds which would continue reporting based on economic resources and the accrual method of accounting. Reconciliation between the fund and the government-wide statements will be required on the face of the fund statements. Finally, proprietary fund cash flows statements must be presented using the direct method.

Presentation of Budgetary Information – The standard requires budgetary statements for the general fund and certain other governmental funds as required supplementary information. The original adopted budget of the Commission as well as the final revised budget must be presented. Actual results on a budgetary basis will need to be reconciled to the GAAP (generally accepted accounting principles) basis on the face of the statements.

The effective date of the new pronouncement will require implementation by the Commission for its year ending December 31, 2003. The magnitude of these changes and the time required to prepare for implementation should not be underestimated. We recommend that the Commission begin to look at its systems and processes to ensure that the required information will be available to ensure timely implementation. Further, we recommend that the Commission consider the cost of required changes to its systems and processes to ensure availability of necessary funds in its upcoming budget.

Management's Response – The Commission is currently in the process of addressing GASB 34 issues and concerns. We understand the significance of the changes that will be required as a result of GASB 34 and will take the necessary steps to ensure timely implementation. We will closely monitor our progress on GASB 34 issues and the deadline for completion. We will also address related costs for GASB 34 implementation during the 2003 budget process.

* * * * *

It should be noted that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in systems and procedures which may exist. We aim, however, to use our knowledge of the Commission's organization gained during our work to make comments and suggestions which we hope will be useful to you.

We would like to take this opportunity to thank the personnel of the Commission for their cooperation and assistance during the audit.

This report is intended solely for the information and use of the Members of the Commission, management, the Legislative Auditor and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP